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Daily Report

Central Eurasia

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Central Eurasia

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NOTICE TO FBIS CENTRAL EURASIA DAILY REPORT READERS:

Various Moscow media have announced that, starting on 15 March, their Russian-language services would revert to the Russian rendering of place names for geographic areas that were formerly part of the Soviet Union, to "protect the Russian language as a national asset." To date, the Russian media have been inconsistent in their usage of Russian and vernacular place names. Until a consistent pattern is noted, FBIS reports will follow the Russian source's rendering of place names. If the source rendering varies from the approved FBIS rendering (which is based on lists from the U.S. Board of Geographic Names), the vernacular equivalent will follow within square brackets whenever possible.

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Ames' Visit 'A Week Before' Woodruff Killing Noted

PM2203093994 Moscow KOMSOMOLSKAYA PRAVDA in Russian 22 Mar 94 p 1

[Unattributed report from "Inform" column prepared by N. Yefimovich, S. Chernykh, O. Yegorova, EAN, and ITAR-TASS: "Ames' Trail in the Caucasus"]

[Text] The case of the murder of CIA staffer Fred Woodruff last year in Georgia will most likely be reopened.

Commenting on the wranglings in the world of international espionage, Tbilisi's newspaper REZONANS reported certain details. Attention was, for instance, focused on the fact that Aldrich Ames was in Georgia a week before Woodruff died. Attention was not paid to this fact at the time, but Ames's visit to Georgia is now arousing definite suspicions.

Further Reaction to Iranian Plane Crash

Experts: Reconnaissance Mission Theory

LD2103194094 Moscow ITAR-TASS in English 1924 GMT 21 Mar 94

[Text] Yerevan/Moscow March 21 TASS - A group of experts from the Iranian air forces and civil aviation agency, headed by General Ali Rezvani, arrived on Monday to the site of a crash of the Iranian C-130 aircraft which killed 34 people on Friday, Armenian Vice-President Gagik Arutyunyan told reporters today.

The plane had to fly through the Armenian airspace bound for Tehran, but deviated 100 kilometres from the route for unknown reasons and hit the ground several miles of [as received] Stepanakert, the adminstrative centre of the break-away Nagorno-Karabakh province of Azerbaijan.

The group of Iranian experts is accompanied by a civil aviation official of the Commonwealth of Independent States. According to the vice-president, experts are expected to complete the investigation and be back in yerevan later in the day.

The vice president stated that there had been no radio communication betwen traffic controllers of the Yerevan airport and the crew of the Iranian plane. Both the traffic controllers and the crew communicated with a Russian passenger aircraft which was on its regular flight in the Armenia's airspace at the moment. Records of these conversations are now being studied by experts.

Meanwhile, Russian military experts do not exclude a possibility that the Iranian C-130 plane was on a reconnaissance mission in Nagorno-Karabakh.

The experts believe that it is most unlikely that the crash had been caused by the depressurization of the cockpit. Colonel Aleksey Grekhov, navigator-inspector of the safety department of the military transport aviation of the Russian air forces, told ITAR-TASS that "there had not been a single case when an airplane hit the ground because of depressurization". According to the colonel, almost all air trafic in the Afghan war had been carried out by depressurized aircraft "but all flights were a success unless the planes had been attacked".

The experts are cautious about any resolute conclusions until they get answers to some questions. Why did the crew of the plane have an unusually big number of members (13 instead of a regular crew of four)? Why did not the plane ask for landing in Gyandzha or Shamkhor in Azerbaijan where runways of former Soviet military airfields were big enough for all types of heavy planes? Why did the plane maintain radio exchange only with a Russian aircraft and not with any of the ground services?

Iran Denies Mission Theory

LD2203094694 Moscow ITAR-TASS in English 0929 GMT 22 Mar 94

[By ITAR-TASS correspondent Oleg Kuzmin]

[Text] Tehran March 22 TASS—The Iranian Foreign Ministry rejected on Tuesday reports that the Iranian cargo plane C-130 which crashed last Friday in Nagorno-Karabakh, was on a reconnaissance mission.

A ministry official told ITAR-TASS that an official statement of the Foreign Ministry on the matter will follow soon.

The catastrophe killing 34 people occured when a Tehran-bound Iranian cargo plane instead of entering the Armenian airspace suddenly changed course due to unknown reasons and hit the ground several miles off Stepanakert, the administrative centre of the disputed Armenian enclave in Azerbaijan.

Azeris Claim Proof Armenia Involved

NC2203092694 Baku TURAN in English 0818 GMT 22 Mar 94

[Text] Baku (March 19) TURAN [dateline as received]—The wreck of Iran's airplane, a C-130 Hercules, which occurred on March 18 in Nagorno-Karabakh is in the focus of attention of politicians and military officials. Armenian authorities which have control over Nagorno-Karabakh said that the plane crashed to into mountains due to thick fog. Thirty two people with 9 children among them died. Iran's Embassy in Moscow reports that the crew of the plane included families of Iran's diplomats.

The press service of the Azerbaijan Defense Ministry told TURAN that on March 17 at 23.00 p.m. Iran's transport plane entered Azerbaijan's air space from Georgia and then had to depart from it in the direction of Armenia after a few minutes. The pilot lost the course.

Though Azeri control services tried to resume connection with the pilot they couldn't. Soon the plane was over Karabakh to the west of international air space.

Azeri radar installations followed the flight of Iran's plane until 23.30 at which point they lost sight of it. At that time the plane was near Khankendi (Stepanakert). Military experts say that the plane immediately disappeared from the radars' screen which proves that the plane was shot down. However, in order to draw a final conclusion we have to investigate the wreckage of the plane. But will Armenian authorities allow the experts including from the international community to visit the site of the wreck?

Sources in the President's staff and the Azerbaijan Defense Ministry opposed Armenian authorities' version. They say that the weather was fine and the plane flew at average height. They report that Iran's plane turned to find the right course when was shot down by Armenian forces which mistook it for an Azeri plane.

The Ministry for National Security of Azerbaijan confirm this version. Yesterday the Azeri Ministry reported that it has a tape- recording between Khankendi (Stepanakert) and Yerevan proving that the Azeri plane was shot down at night on March 18. The leader of the press service of the Ministry of National Security said that Azerbaijan is ready to present the tape-recording to any party concerned.

Arutyunyan on Crash Investigation

NC2103212094 Yerevan Armenia's Radio First Program Network in Armenian 2000 GMT 21 Mar 94

[Text] As has already been reported, an aircraft flying from Moscow to Tehran crashed in Nagorno-Karabakh on the night of 18 March [date as given]. Besides sincere condolences, the air crash, in which Iranian citizens died, also elicited the interest of the world press. It would not be proper to air (?speculations) and [words indistinct] in a newscast. [words indistinct] What are the preliminary results of the investigation?

Armenian Vice President Gagik Arutyunyan briefed reporters today on the results of investigation into the circumstances leading to the crash of the military transport plane. Russian and Iranian experts are involved in the investigation. Two Iranian delegations have already gone to the site of the crash. One of them is headed by (Akbar Aminali), head of the legal affairs department at the Iranian Foreign Ministry, and the technical delegation is headed by General Ali (Asistas) Rezvani.

The crash site has been sealed off by Nagorno-Karabakh troops and security forces.

The bodies of the victims were brought to Yerevan today. They will be transported to Iran.

The Preliminary investigation shows that the plane deviated from its path by some 100 km. The crew did not communicate with air traffic controllers at Yerevan's Zvartnots Airport. Will it be possible to find the black box? According to [words indistinct], this is not yet clear. The aircraft is American-built; this type of aircraft is not always equipped with such an important device.

The Iranian side has no complaints about the work done by the Armenian establishments that are helping the investigation into the circumstances of the tragedy.

Vice President Arutyunyan said that the next press briefing to reporters will be (?held) at the presidential press secretariat.

Further Details on Comments

NC2203090394 Yerevan SNARK in English 1429 GMT 21 Mar 94

[Text] Yerevan, MARCH 21 (SNARK)—There may be no black box in the Iranian airplane crashed in Karabakh last week. The Armenia's Vice-President Gagik Arutyunyan told about that today at the press-briefing for reporters. He said that airplanes S-130 [as received] don't always have black boxes.

Mr. Arutyunyan pointed out that the Iranian special commission together with the CIS and Armenia representatives flew off to the accident's place in Karabakh.

According to clarified data, 34 people died as a result of this accident, including women and children. Their remains were delivered in Yerevan, and on March 21 they will be conveyed to Iran.

Mr. Arutyunyan also said that according to data received from the Iran Embassy to Yerevan, the airplane tried to make an emergency landing. It lost height and got from 7500 to 3500 meters. The Armenian dispatching service tried to get him through the Russian airplane flying from Mineralnye Vody [name as received] to the Arabian Emirates. However this attempt wasn't a success.

ITAR-TASS Carries Press Review for 22 March

LD2203070794 Moscow ITAR-TASS in English 0644 GMT 22 Mar 94

["Press Review"—ITAR-TASS headline]

[Text] Moscow, March 22 (TASS)—Russian newspapers highlight the meeting between Prime Minister Viktor Chernomyrdin and Japanese Foreign Minister Tsutomu Hata, and elections to the local power bodies.

ROSSIISKIYE VESTI quotes Chernomyrdin as saying about the results of the talks with Mr Hata that "Russia, when tackling a solution to the territorial dispute with Japan, will act without haste. The issue cannot be resolved at a sweep". The newspaper points out that the Russian premier expressed hope that the issue would be resolved. "We shall approach the conclusion of a peace treaty between our two countries in any case. A solution to the territorial problem is one of prerequisites for such a treaty".

NEZAVISIMAYA GAZETA remarks in this connection that "it is, probably, the Russian side that to a greater extent remains pleased with the results of the talks held in Moscow by Japanese Foreign Minister Tsutomu Hata. Although the meeting with Russian premier gave certain satisfaction to the Japanese minister: This time the Russian premier did not make tough remarks, as he did at the end of last year, about it being impossible to hand over the Kuril Islands under any circumstances".

NEZAVISIMAYA GAZETA on elections to local power bodies:

"Last Sunday's elections to the local representative power bodies in the regions of the Russian Federation revealed, on the whole, the electorate's indifference and passivity. Irrespective of the final election results, this conclusion could be drawn immediately after the polls closed."

TRUD on local election results:

"Such outcome of the elections in a number of Russian regions can hardly satisfy the federal authorities either. For a low turnout of voters is indicative of the Russians' low trust in power in general. And this is understandable. Over the past several years, there were so many well wishers who promised people a lot. Meanwhile, the life of the majority of ordinary citizens has not changed for the better".

KRASNAYA ZVEZDA (RED STAR) on local election results:

"People, having got disillusioned with the abilities of 'the people's elected representatives' to change if only anything in their life, were not in a hurry to go to the polls.

"Experts explain the passiveness of the population by a number of other reasons as well. Not of least importance in this respect is the excessively protracted nature of the election campaign, and Moscow's insufficient interest in the electoral process at the local level".

KRASNAYA ZVEZDA carries an interview with Colonel-General Georgiy Kondratyev, Russian deputy minister of defence, under the headline " The Second Phase of the Reform: What Awaits the Army".

The newspaper points out that the first phase of the reforming of the Russian Army and Navy is over. Main organising measures to create the armed forces of Russia proper have been carried out.

In response to a question what awaits the armed forces in the future, the deputy defence minister said: "The armed forces will become, firstly, a relatively small but powerful and modile army provided with the most effective systems of weapons and military hardware and capable of defending Russia from encroachments from the outside and be the guarantor of peace and stability in the country.

"Secondly, this will be an army of a democratic state, which has fundamentally different relationships with society and the state and enjoying respect and prestige among the people.

"Thirdly, this will be an important instrument of national policy, maintaining all the best from the traditions of its predecessors, everything that was connected with the accomplishment of exclusively defensive tasks.

"These three positions in point of fact reflect the principal meaning of the current process of the Russian Armed Forces reform", General Kondratyev said.

Grachev, Perry Moscow Discussions Examined

PM2103133194 Moscow KOMSOMOLSKAYA PRAVDA in Russian 19 Mar 94 p 7

[Feature on U.S. Defense Secretary W. Perry in Moscow, comprising report by Aleksandr Khokhlov and report by Leonid Krutakov and Dmitriy Kulik under the general heading: "The Russian Army Will be Getting Patrons From the United States"]

[Text] [Khokhlov report] After the talks in Moscow with U.S. Defense Secretary W. Perry, Pavel Grachev said that Russia could join the NATO "Partnership For Peace" program at the end of the month. But, as might have been expected, there are many difficulties and provisos.

Grachev was not very complimentary about the NATO "Partnership For Peace" program in his conversation with his U.S. colleague.

In the very near future, Pavel Grachev said, Russia will be presenting to NATO (and to the United States as well, of course) its "amendments" to the "Partnership," to the effect that it does not wish to and cannot sacrifice its geopolitical interests to the interests of other states.

When Russia will be submitting its proposals on implementation of the NATO program the Russian Federation defense minister did not specify.

After a reasonably brief conversation in the company of others, Grachev and Perry withdrew. The word is that the ministers went through the Ukrainian nuclear weapons situation and Russia's geopolitical problems in the Caucasus and Central Asia with a fine-tooth comb.

[Krutakov and Kulik report] According to senior Pentagon officials accompanying W. Perry, the "Partnership" program will develop in two basic areas: U.S. assistance in the conversion of the Russian defense industry and the creation of private Russian-American joint ventures based on Russian military-industrial complex enterprises. One promising area is the closure of research laboratories and curtailment of scientific studies in Russia as no longer needed, for example, in the nuclear weapons sphere. It was stressed that the United States will get access to the Russian market and Russia will get goods.

It is a tempting prospect, particularly as the Americans are promising assistance in the construction of housing for discharged Russian servicemen. But it looks very much like one-way traffic. For example, Pentagon representatives did not explain why the program does not provide for the establishment of joint enterprises based on U.S. military-industrial complex plants. And asked why the rate of conversion last year was 68 percent in Russia compared with three percent in the United States, the answer was that in the United States conversion problems are linked to the problem of employment. In this context, it would be more logical to call the "partnership" "patronage."

We are not calling for a return to the days of the cold war. But, to use William Perry's expression, Russian and the United States are acting simultaneously as partners and rivals within the framework of the new program.

Until recently U.S. assistance to Russia took the form of a few inspection tours of Russian military-industrial complex enterprises and nuclear centers.

More Peacekeeping Forces To Be Sent to Sarajevo

LD2203142194 Moscow Ostankino Television First Channel Network in Russian 1200 GMT 22 Mar 94

[Report by Vlada Vishnevskaya from the "Novosti" newscast]

[Text] Another battalion of Russian peacekeeping forces will be sent to Sarajevo at the end of March, Deputy Russian Defense Minister Georgiy Kondratyev told a news conference today. The servicemen are currently undergoing special training. The Ministry of Defense has drawn up a new training program for this. There are more than 1,200 Russian peacekeeping troops in the former Yugoslavia.

As for the tasks of the contingent for keeping the peace on the territory of the former Union, it was pointed out at the news conference that Russia is the sole power capable of separating warring sides. Russian servicemen are coping with this task successfully. For over a year there has been no bloodshed in the Dniester region and South Osetia. For the first time, representatives of the warring sides themselves are taking part in the work of the peacekeeping forces. That is, these are in part trilateral forces.

One of the main problems of life today has also affected the peacekeeping contingent; namely, the problem of money. During 1993 over 26 billion rubles were spent from the Ministry of Defense's budget on financing operations to keep the peace on the territory of the former Union. It is hard to estimate what sum will be needed this year. The Defense Ministry hopes that this and other problems will be resolved by the law adopted by the State Duma on maintaining the Russian contingent to take part in operations designed to preserve or ensure international peace and security. [video shows news conference, UN troops, aerial views, cockpit of aircraft, armor]

Deputy Defense Minister on Peacekeeping Missions

LD2203124594 Moscow INTERFAX in English 1138 GMT 22 Mar 94

[Text] Colonel General Georgy Kondratyev, Russian Deputy Defense Minister, said at a news conference in Moscow Tuesday that 107 Russian servicemen had been killed and 193 wounded in peacekeeping missions since July 1992 when Russian troops were sent to South Ossetia to separate the warring parties.

Kondratyev said, the losses were 53 dead and 77 wounded in Tajikistan, 28 dead and 60 wounded in North Ossetia and Ingushetia. The corresponding figures are 16/25 in Transdniestria, 6/15 in Abkhazia, 2/1 in South Ossetia and 2/15 in former Yugoslavia.

Kondratyev did not think that any group of countries or international organization would be able to perform peace missions as effectively as Russian troops in the former USSR.

Answering an Interfax question Kondratyev said that the country had spent 26 Bn [billion] rubles for peacekeeping activities in 1993. He thought that this amount would increase in 1994. He emphasized that the money had been made available by the Defense Ministry and that the Peacekeeping Activities Bill under consideration in the State Duma called for financing such operations from the state budget.

Kondratyev said that the Russian Defense Ministry would deploy its observers in the Karabakh war zone within two or three days, once the waring sides separated and a security zone set up.

Deputy Foreign Minister on Peacekeeping Role

MK1903111094 Moscow KOMMERSANT-DAILY in Russian 19 Mar 94 p 4

[Viktor Zamyatin report: "New Appointments at Foreign Ministry. Russia Thinks it Already Has Peacekeeping Mandate"]

[Text] Commenting on his rumored appointment as Russian ambassador to the United Nations, Deputy Foreign Minister Sergey Lavrov was concise: rumors are there, the decision is not. Even so, his contacts with the United Nations remain close, and Mr. Lavrov agreed yesterday to present to KOMMERSANT-DAILY his view of Russia's relationship with this organization. The deputy minister began by denying mass media reports about Russia's soliciting UN permission for peacekeeping missions in the CIS.

According to Mr. Lavrov, being a foreign policy tool, the United Nations cannot be important in itself. UN decisions are always a compromise, hence proposals, in particular from Russia, do not go through every time. Making use of the United Nations, Lavrov said, is important for Russia for two reasons. First, because Russia's interests are recognized on an international scale; second, because countries elaborating a decision are invited for joint actions. By way of examples where Moscow's stance is recognized and implemented, Mr. Lavrov referred to UN resolutions on the human rights situation in Latvia and Estonia, and on the withdrawal of troops from there, as well as the decision to create the position of high commissioner for human rights.

Touching on peacekeeping in the CIS, Mr. Lavrov stated that protecting its interests, Russia needs no UN or CSCE permission for such an activity because it does not contravene international law and the UN Charter (which contains no corresponding provisions). Saying this, Sergey Lavrov pointed out that the United Nations should be more active in the zones of conflicts and share the burden of Russia's expenses. Mr. Lavrov sees no sensation in Shevardnadze's call for bringing UN forces into Georgia—Kozyrev and Aleksandr Chikvaidze, head of the Georgian Foreign Ministry, came forward with such a call last summer. But the United Nations is dragging its feet on the decision, which is why the responsibility for disrupting the Sochi accords rests on it, Mr. Lavrov thinks. The deputy minister announced that this problem will be discussed during a visit by Butros Butros-Ghali.

On the problem of sanctions, Mr. Lavrov said that in Moscow's opinion there is no longer any need to press them against Yugoslavia because Belgrade has meet all the conditions imposed on it. But Moscow's proposals on humanitarian supplies, Lavrov said, are being blocked by the United States. This is also true about Iraq—the United Nations is now discussing the question of revising the sanctions. Baghdad, Lavrov thinks, has also met the UN demand for disarmament and opening its defense program to monitoring which is, incidentally, the condition for lifting the embargo on exports of its oil. Mr. Lavrov detailed the opinion of the Foreign Ministry, where they think that a six-month monitoring period could be imposed following which the oil-export embargo could be lifted (Paris agrees with Moscow on that). Libya is a more difficult case. Al-Qadhdhafi has not so far extradited the terrorists, and Russia will have to work on that yet, Mr. Lavrov concluded.

[International Life Desk commentary] The most striking thing in the deputy foreign minister's interview is that his words on peacekeeping in the CIS echo the provisions in Boris Yeltsin's message to the Federal Assembly. As many people know, the United Nations and the CSCE still will not recognize the Russian troops' status as peacekeeping forces, or finance their part in settling conflicts in the CIS. Now Moscow states straight out that it is not going to solicit permission for protecting its own interests. Yet another point—the deputy minister's words about sanctions against the Federal Republic of Yugoslavia and Iraq having lost their usefulness. It is not for nothing that the United States opposes their lifting, having in mind the presence of Russian interests in these countries. Moscow's stance in regard to the sanctions (despite its support by a number of European countries) may spark tension in its relations with the United States and the West as a whole.

Hosokawa Backs China's Resistance to 'U.S. Diktat'

PM2203110794 Moscow PRAVDA in Russian 22 Mar 94 p 3

[Article by Andrey Krushinskiy: "A New Pole? U.S. Diktat Encourages Japanese-Chinese Rapprochement"]

[Text] Beijing, 21 Mar—Is Clinton familiar with Bismarck's advice to avoid wars "on two fronts"? That we do not know, but it is a fact that Washington's nerve centers, seriously believing in a "unipolar" world following the collapse of the USSR, have been intent on picking fights with both China and Japan of late, consequently finding themselves on the brink of cold war simultaneously with the largest state and the most highly developed state in the Asian-Pacific region.

This was a striking feature of Morihiro Hosokawa's visit to Beijing. Of course, there was no direct evidence of any anti-American slant to the rapprochement that was apparent here, nor was that a possibility. It is indicative, though, that at a joint press conference by the two states' heads of government, Hosokawa vigorously supported China in its resistance to U.S. diktat that is being applied under the banner of "protection of human rights." The Japanese premier described the U.S. attempt to impose its "values" on the countries of the Asian continent as a mistake.

There was much to be read between the lines in a number of his other speeches during his three-day stay in China. He said, for example, that Japan has looked again in depth at the lessons of the past and intends to shape its relationship with the PRC in the spirit of friendship and cooperation with a view to the future. He marveled at China's economic achievements and the confidence of the Chinese in their future.

The words contained in the speeches by the guest and his hospitable hosts in favor of a fair economic order appeared to be indirectly addressed to Washington politicians who are using economic sanctions in an attempt to intimidate both Japan and China (which now faces the threat of losing is status of most-favored nation in trade with the United States). Is all this going to result in a further weakening of U.S. prestige in the region?

In these conditions, further rapprochement promises a great deal for Beijing and Tokyo. Japan is already China's number one partner both in terms of trade and in terms of investments. Further access to Japanese technological achievements could be a major instrument of modernization for this giant state. China represents for Japan a boundless market that can considerably alleviate the consequences of potential U.S. trade sanctions.

If there is a further deepening of bilateral cooperation, these two Asian powers could become in the future a kind of political-economic "pole" no less powerful than the United States coupled with NATO.

Further on Japanese Foreign Minister Hata's Visit

Hata Wants DPRK To Permit Inspections

AU2103143694 Paris AFP in English 1430 GMT 21 Mar 94

[Text] Moscow, March 21 (AFP)—Japanese Foreign Minister Tsutomu Hata demanded Monday that North Korea let international experts carry out a full inspection of its nuclear facilities and criticized Pyonyang's renewed threat to pull out of the Nuclear non- Proliferation Treaty (NPT).

"Japan is worried by the fact that we could not obtain confirmation of the non-use by North Korea of nuclear materials for military purposes," Hata said at a news conference.

Kozyrev Proposes Talks on DPRK

OW2103234294 Tokyo KYODO in English 2302 GMT 21 Mar 94

[Text] Moscow, March 21 KYODO—Russian Foreign Minister Andrey Kozyrev proposed on Monday [21 March] a new framework of talks by the United States, Russia and China with North Korea over its suspected development of nuclear weapons, Japanese officials said. Kozyrev disclosed the idea during a meeting with Japanese Foreign Minister Tsutomu Hata in Moscow, the officials said.

Kozyrev also urged Pyongyang to abide by controls on nuclear facilities as imposed under the international nuclear safeguard agreement, they said. He argued that all controls should be abided by through inspections by experts from the International Atomic Energy Agency (IAEA), the officials said.

High-level talks between the U.S. and North Korea have stalled in the wake of the IAEA's report that its inspection of Pyongyang's nuclear facilities had been obstructed and the collapse of the dialogue between North and South Korea. The IAEA adopted a resolution Monday to refer North Korea's refusal of full inspections of its nuclear facilities to the United Nations Security Council.

Japanese Official on Territories

LD2103161694 Moscow INTERFAX in English 1438 GMT 21 Mar 94

[From the "Diplomatic Panorama" feature: by diplomatic correspondents Dmitriy Voskoboynikov, Igor Porshnev, Vitaliy Trubetskoy, and others]

[Text] Japan will continue to make efforts to ensure a resolution to the territorial dispute, the conclusion of a peace agreement and complete normalization of relations with Russia, director of the Japanese Foreign Ministry's international press department Seiji Morimoto stated during a briefing in Moscow on Monday.

He said that this position was set forth by Japanese Foreign Minister Tsutomu Hata during his talks with Russia's Prime Minister Viktor Chernomyrdin on Monday morning. To quote Morimoto, the Japanese side emphasized that the declaration signed in Tokyo last December by the Russian president and the Japanese prime minister creates a basis for broadening political dialogue between the two countries.

The Japanese diplomat also said that Japan would continue to support the Russian reforms and coordinate its moves with the G-7. During the talks Chernomyrdin and Hata stressed that Russia and Japan could jointly tackle major international problems.

Morimoto also said that the talks with the Russian prime minister had convinced Japan that relations with Japan were one of the priority aspects of Russia's foreign policy. "Neighbors are not chosen. As neighbors, Russia and Japan must cooperate," he said.

He pointed out that the Japanese foreign minister was satisfied with the discussion of the territorial issue. The Russian prime minister confirmed Russia's adherence to the Tokyo declaration and stated that a time would come when the territorial problems would be solved.

"This problem is very complicated and we are well aware that it cannot be solved at one go," said Morimoto. He also announced that Hata had invited Chernomyrdin to visit Japan this year. In Chernomyrdin [as received] invited Hata to visit Moscow. The dates of the visit will be coordinated through diplomatic channels.

Russia's possible admission to the G-7 was not discussed in detail, said Morimoto. Japan believes, however, that G-7 should broaden cooperation with Russia. "Such an initiative must come from Italy, because it currently chairs the G-7 and is the organizer of the forthcoming summit in Naples. Let us hope that this problem will be solved," he said.

Kozyrev, Hata Comment on Talks

LD2103160994 Moscow INTERFAX in English 1438 GMT 21 Mar 94

[From the "Diplomatic Panorama" feature: by diplomatic correspondents Dmitriy Voskoboynikov, Igor Porshnev, Vitaliy Trubetskoy, and others]

[Text] Russian Foreign Minister Andrey Kozyrev believes that this summer the G-7 summit in Naples will discuss the gradual transformation of the G-7 into a G-8, because Russia will join full-scale discussions of the political problems. He made the statement Monday following the talks with Japanese Foreign Minister Tsutomu Hata.

Kozyrev said he had discussed the problem with Hata. The Japanese side reacted positively, he said.

Kozyrev said that in Moscow, on the initiative of the Japanese side, the issue was discussed on signing a peace treaty which would include the territorial problem. "We do not give up on the problem. It will be discussed in detail on the basis of the Tokyo Declaration at the talks to be held by deputy foreign ministers, he said.

Kozyrev said that the territorial problem is not the sole issue in the Russian-Japanese talks. We have discussed bilateral and international problems and agreed to raise the level of economic cooperation; to work on, before the visit to Moscow by Japanese Prime Minister Morihiro Hosokawa, the draft agreement on supporting small and medium business; and to continue the talks on strategic stability, he said. We also discussed the cases of violations along the Russian border by Japanese fishermen and agreed to cooperate in solving the problem.

For his part, Hata said that Kozyrev had handed over to him a personal message from Russian President Yeltsin, who invited Japanese Prime Minister Hosokawa to visit Moscow. The date of the visit will be set following the consultations with the Russian side, said Hata.

Hata spoke in support of the earliest signing of a peace treaty. But first we need to settle the territorial problem which is impossible without the support of the Russian and Japanese peoples, he said.

He said that Japan gives its backing to the course of reforms in Russia.

Chernomyrdin Talks With Hata

PM2203113594 Moscow ROSSIYSKIYE VESTI in Russian 22 Mar 94 p 1

[Unattributed report: "Viktor Chernomyrdin Held Talks with Japan's Foreign Minister"]

[Text] In tackling the territorial question with Japan Russia "will act without haste, for this question is not resolvable on impulse," Viktor Chernomyrdin, chairman of the Russian Federation Government, declared yesterday on the results of his talks with Japanese Foreign Minister Tsutomu Hata.

He added that the territorial question "was not discussed in detail" in the talks. But the premier voiced the hope that this question will be resolved sooner or later: "We will, all the same, arrive at the conclusion of a peace treaty between our countries," and the resolution of the territorial problem is one of the preconditions for concluding it.

Viktor Chernomyrdin told journalists that questions of developing cooperation in the economic sphere were mainly discussed with the Japanese foreign minister. "It is pleasant," the premier said, "that the Japanese side is increasing its efforts to support our reforms."

Replying to a question about the possibility of transforming the "seven" leading industrially developed countries into the "eight" with the participation of Russia, Tsutomu Hata said that, since the G-7 will hold its summit in Naples this summer, Italy might play the chief role in resolving this question. In general, Russia's joining the G-7 must be examined within the framework of precisely this group of countries. The minister added that, mindful of Russia's growing influence in contemporary international politics, as particularly manifested in the resolution of the Bosnian crisis, Japan ought to have closer contacts with Russia.

Then Tsutomu Hata held talks with Andrey Kozyrev, head of the Russian Ministry of Foreign Affairs, and met with State Duma Chairman Ivan Rybkin.

According to Japanese diplomatic sources, the most important issue during the visit was to advance a two-way dialogue in accordance with the principles enshrined in the "Tokyo declaration," which was adopted last October during Russian President Boris Yeltsin's visit to Japan.

In conversation with an ITAR-TASS correspondent a Japanese Foreign Ministry staffer did not rule out the possibility that the dialogue between Moscow and Tokyo might be continued at the highest level this year.

Second Stage of Japanese Aid Program Starts in Far East

OW2203060694 Vladivostok Radiostantsiya Tikhiy Okean Maritime Network in Russian 0815 GMT 18 Mar 94

[From the "Pacific Ocean" Program]

[Text] The second stage of the large-scale Japanese humanitarian action has begun in the Far East. About 2,000 tonnes of foodstuffs have been delivered here, including vegetable oils and canned meat, dairy, and fruit products which will be sold to the population at moderate prices. This long-term campaign is being conducted within the framework of an intergovernmental memorandum on urgent Japanese humanitarian assistance to the Russian Federation.

The first stage was carried out during the spring of last year. The money raised helped purchase modern medical equipment and equip medical institutions. This year it will be used to implement the program of social assistance to invalids. It should be noted that all stages of the humanitarian action are being strictly monitored not only by Russian social protection services but by the Japanese side as well. During the 27 March-4 April period a group of experts from the Japanese Ministry of Foreign Affairs will carry out a working tour of the Far East. The aim is to evaluate the effectiveness of the assistance in the region and to determine the best way of rendering it in the future.

Karasin Outlines Position on North Korean Nuclear Issue

LD2203094794 Moscow Radiostantsiya Ekho Moskvy in Russian 0900 GMT 22 Mar 94

[Excerpt] [passage omitted] [Announcer] Head of the Foreign Ministry information department Grigoriy Karasin commented on the Russian position on this issue for us.

[Karasin] We would very much not like to bring the situation to a head, or to sanctions. Evidently the necessity has arisen to look at the situation attentively and discuss it with our partners. In particular the Russian and Japanese foreign ministers discussed this issue yesterday. And we have to find a quick, effective, and possibly even unusual solution to this problem.

[Announer] Can Russia, bearing in mind her recent successes in foreign policy, become an intermediary in the dialogue between Pyongyang and the countries of the West? Here is Grigoriy Karasin once again.

[Karasin] To be honest, I am not going to lay all my cards on the table. I just want to say that the appropriate senior Foreign Ministry employees have left for Vienna and are taking part in the discussions of this problem there. They return to Moscow tomorrow. We will take a close look at all possiblities and all approaches, and naturally we will act with energy.

Spokesman Downplays Conflict On DPRK Nuclear Issue

PM2103162794 Moscow IZVESTIYA in Russian 22 Mar 94 p 3

[Report by Aleksandr Platkovskiy: "Pyongyang Ready for War, But Moscow Hopes That Kim Il-song Is Bluffing"]

[Excerpts] The conflict concerning the DPRK's nuclear program has again entered an unpredictable, volatile stage after the North Koreans threatened to quit the nuclear weapons nonproliferation treaty and "commit Seoul to the flames." But all Moscow can do is observe events from the sidelines.

International Atomic Energy Agency [IAEA] experts who have returned after verification work at suspect facilities in the DPRK were unable to confirm that this secretive country is not carrying out work to create its own nuclear weapons. They did not manage to get into the radiochemical laboratory, where it is suspected that plutonium is possibly being produced for military needs. The IAEA Board of Governors will give the final verdict and will possibly raise the question of economic sanctions against the DPRK for discussion by the UN Security Council. [passage omitted]

Meanwhile, in this situation Moscow prefers to refrain from making any statements. At least until the IAEA's final position becomes clear. As IZVESTIYA was informed by the Russian Foreign Ministry, the situation is not as serious as reports might indicate. At any rate, our diplomats still hope that the matter will not get as far as a discussion of the sanctions question by the Security Council.

So far Moscow has remained outside the circle of active participants in the conflict because it lacks any opportunities to influence the North Koreans' position. Despite the fact that the Treaty on Friendship and Cooperation between the USSR and the DPRK is still in force, just like the article providing for military aid in the case of aggression against the DPRK, the North Koreans regard this document merely as a scrap of paper.

But if the matter does get as far as a discussion of sanctions by the Security Council, our experts believe that Russian diplomats' main task will be not to back the North Koreans into a corner.

Production of Weapon-Grade Plutonium To Stop by 'Late 1994'

LD2203124194 Moscow ITAR-TASS in English 1217 GMT 22 Mar 94

[By ITAR-TASS correspondent Veronika Romanenkova]

[Text] Moscow March 22 TASS—Russia's atomic industry will be ready to stop the production of weapon-grade plutonium by late 1994. A Russo-American agreement to this effect is planned to be signed as early as in summer. The arrangement was reached during a visit of Russian specialists to the United States, Valeriy Bogdan, business manager of the Russian Ministry of Atomic Energy, told ITAR-TASS on Tuesday.

Three reactors producing weapon-grade plutonium continue to operate in Russia (one in Krasnoyarsk-26 and two in Tomsk-7). But these are dual-purpose reactors. They supply energy and heating not only to Krasnoyarsk-26 and Tomsk-7, but also to regional centres. The Ministry of Atomic Energy planes to phase out these reactors in 1997-1998. Their service life is almost completed. District power plants will be built instead.

Storages in Russia are now filled to the limit with weapon-grade plutonium and with plutonium released from dismantled nuclear weapons. There are large plutonium stockpiles in Russia and in the United States and there is no sense in continuing to manufacture plutonium.

However, Russia is now short of funds, and from the economical viewpoint it cannot stop plutonium-producing reactors and replace them with district power plants. Valeriy Bogdan believes it is necessary to reach agreement with the United States so that it help resolve the financial problem. The United States has stated the intention of helping to get funds, without giving guarantees of money, he said.

Foreign Ministry Sees Partnership Signing Delayed

MK190[illegible]94 Moscow NEZAVISIMAYA GAZETA in Russian [illegible] Mar 94 p 1

[Dmitriy Gornostayev report under the "Cooperation" rubric: "Special Conditions for Moscow. NATO's Partnership With Russia Will Differ From its Relations With East European Countries"]

[Excerpt] [Passage omitted] Yuriy Ushakov, director of the Russian Foreign Ministry All-European Cooperation Department, has said to your NEZAVISIMAYA GAZETA correspondent that as it is going to sign the "Partnership for Peace" plan, Russia sees it as a stage on the way to reaching a wide-ranging agreement on cooperation with NATO that could be contemplated both within the "Partnership for Peace" concept and outside it. The program itself is in principle acceptable for Russia at this stage as "a compromise that has come about under the influence of a number of factors." Moscow does not want to approach it from a formal, symbolic point of view that characterizes the stances of a number of East European countries that confuse a NATO membership card with a credit card to borrow money from Western banks. Russia's partnership, however, will be different from the cliches of its former Warsaw Pact allies. It is essential to take into account its weight on the international scene, its status of a nuclear power, and the importance of relations between the two partners—Russia itself and NATO. The North Atlantic Alliance, however, is preoccupied with the search for a formula that, while formally not recognizing Russia's privileged status within "Partnership for Peace," would still enable them to foster a special cooperation. A number of NATO experts talk about the "16+1" formula, which calls for special consultations between the Russian Federation and NATO. That is precisely what Russia wants. Special conditions will still have to be created for Moscow.

There is yet another reservation: Many Russian and foreign mass media have interpreted Grachev's words as meaning that Russia would definitely sign the "Partnership for Peace" in March. Officials on Smolenskaya Square [Foreign Ministry] clarify: "Maybe in late March, maybe later." The latter is more likely. This has been caused by the need to complete the drafting of documents, to wind up interdepartmental consultations, and to solve a number of technical problems. There are two candidates for signing on the Russian side: Kozyrev and Grachev. The site of the signing is already known—Brussels.

Official Comments

LD2103215294 Moscow Radio Rossii Network in Russian 1900 GMT 21 Mar 94

[Text] Russia's joining NATO's new program Partnership for Peace in the very near future is probably one of the main foreign political topics. Gennadiy Ivanov, the chief of the Directorate for Military Construction and Reforms, told our correspondent Marian Chernukha how this program is being assessed at the Russian Defense Ministry:

[Begin Ivanov recording] As our president recognized that there is a need to join this agreement, we, the military, would like to confirm that we are ready to do so, but Russia has its own approaches. It does not mean that we should join the Partnership for Peace on conditions set to us by NATO. We have our own approaches and ideas. They do not run contrary to this cooperation, but deepen it. We have difficulties. In principle, this idea should be taken into account. We are already bringing it into effect. This was confirmed by our Foreign Ministry—the military were never against it—but its forms and methods should be in the interests of both European and Russian security. We do not oppose joint exercises. We are not against joint symposiums and conferences. We do not oppose the bodies that will be affiliated to NATO and who could work out decisions jointly. We have already submitted a plan—it is in NATO now—and we are waiting for a response and results. [end recording]

Delegation Leader Comments on CSCE Economic Forum

LD1803211294 Moscow ITAR-TASS in English 2007 GMT 18 Mar 94

[By ITAR-TASS correspondent Aleksandr Yakovlev]

[Text] Prague March 18 TASS—The economic forum of the Conference on Security and Cooperation in Europe (CSCE) considers European economic problems, paying special attention to the difficulties which are faced by the countries implementing economic reforms in the transitional period, Pavel Smirnov, head of the Department of Economic Cooperation of the Russian Foreign Ministry, told ITAR-TASS on Friday, after the second session of the economic forum concluded here.

According to Smirnov, who led the Russian delegation, participants in the session focussed mainly on economic situation in the countries undergoing economic reforms.

The Russian delegates drew attention to regional integrating processes with a view to preventing discrimination against the Russian Federation. They also raised the question of developing production cooperation within the framework of the "Partnership for Peace" initiative.

We should immediately begin working on the economic aspects of the initiative, first of all, in the interests of our industry and state military-industrial complex, Smirnov said.

The third session of the CSCE economic forum will be held in June 1995.

Kolokolov Denies Kozyrev Pursues 'Pro-Western Line'

LD1803180494 Moscow INTERFAX in English 1530 GMT 18 Mar 94

[From the "Diplomatic Panorama" feature: By diplomatic correspondents Dmitriy Voskoboinikov, Igor Porshnev, Vitaliy Trubetskoy and others]

[Text] Following the disintegration of the USSR, the Foreign Ministry of the new, democratic Russia intended to establish "good partnership relations with the countries that had confronted Moscow during the cold war. This looked as though the Russian Foreign Ministry and its head Andrey Kozyrev pursued a pro-Western line. This was, however, a policy of establishing partnership relations with the West in the context of a new balance of forces in the world," Deputy Foreign Minister Boris Kolokolov told INTERFAX.

He said that "only through direct contacts with our Western partners could we prove that Russia was a great power. We had to establish partnership relations with those who could pose a danger to us."

Kolokolov, just back from a European tour, said that he had consulted with heads of foreign mnistries in Austria, Slovakia, Germany and Switzerland on the Balkan, African and Middle East situations. He had also discussed these issues with heads of numerous UN agencies in Geneva.

Kolokolov said that whoever he had conferred with had welcomed the increased Russian activity in the Balkans and the Middle East. "This is understandable because in the Yugoslavian crisis we are in equally good relations with all the warring parties, the Serbs, Croatians and Moslems," Kolokolov said.

Chernomyrdin 'Pleased' with Talks with IMF Director

LD1803175094 Moscow INTERFAX in English 1454 GMT 18 Mar 94

[Text] Russian Prime Minister Viktor Chernomyrdin had talks Friday with Michel Camdessus, managing director of the International Monetary Fund, on making the second part of the nearly $1.5 Bn systems credit available to Russia.

Chernomyrdin told journalists after the meeting that he was pleased with its results and intended to meet Camdessus again Friday and Saturday. "Meanwhile the experts will do their bit," he said. He added that IMF experts wanted to have a better insight into the Russian economy.

Valeriy Grishin, first deputy director of the government's press service, told INTERFAX that IMF officials were troubled by the recent remarks made by the Liberal Democratic Party leader Vladimir Zhirinovskiy who doubted the indices mentioned in the budget draft. Zhirinovskiy accused the cabinet of promising unduly high revenues and unduly low spending.

Grishin said that Chernomyrdin had asked the IMF delegation directly if the IMF was willing to help Russia and added that the Russian government did not depend on the Fund's support for its success. Grishin recalled that the Russian cabinet had met the conditions made by the IMF earlier by holding monthly inflation below the 16 to 18 percent mark. According to Grishin, the IMF officials had admitted this. Now the IMF wanted to verify the budget indices, thus making a new condition. Grishin said that the Western experts and their Russian colleagues would be given this opportunity.

Camdessus will also meet with Russian Economy Minister Aleksandr Shokhin Friday.

Adamishin Discusses Moscow's Policy Toward CIS Countries

LD2103212394 Moscow ITAR-TASS in English 2019 GMT 21 Mar 94

[By ITAR-TASS correspondent Yuriy Lopatin]

[Text] Paris March 21 TASS—One of the important things that should be introduced in relations between CIS states is the conviction that all of them are genuinely independent countries, Russian First Deputy Foreign Minister Anatoliy Adamishin said.

Speaking to journalists from the French-Russian press association in Paris on Monday, Adamishin said that Russia considers relations with CIS states as the most important aspect of its foreign policy. He called for closer economic integration of CIS countries on a volunteer basis and with the preservation of their political independence.

If Moscow wanted to retain them under its influence by force, this would be imperialism. But Russia has neither such intentions, nor force. Therefore it is tactless to accuse it of pursuing an imperialistic policy, the diplomat said.

On the contrary, it wants all CIS states to unite economically within the framework of economic integration, he added.

Speaking about Russian-Ukrainian relations, Adamishin pointed out that Russia is interested in an integral, economically strong and politically balanced Ukraine. There are perhaps some people who believe that the worse it is in Ukraine, the better for Russia. But this is a very shortsighted approach, he continued. If Ukraine slides into social upheavals, an economic crisis and disintegration, this will have extremely grave consequences for Russia too. "We will try to avoid this by all means," he said.

Russia is making no territorial claims on Ukraine. The Crimea should remain within Ukraine. They should settle their relations on the basis of bilateral agreements and the constitutions. But human rights should be respected in the Crimea as much as anywhere else, the diplomat said.

"We are for close economic ties between the Crimea and various Russian regions," Adamishin noted.

Shumeyko Presents CIS Goals at Paris Conference

LD2103193494 Moscow Mayak Radio Network in Russian 1430 GMT 21 Mar 94

[Text] Another report from our correspondent from Paris this time. Today the 91st conference of the Inter-Parliamentary Union has opened there at the UNESCO headquarters. Yevgeniy Lukyanov, our Paris correspondent, gives the details.

[Begin recording] [Lukyanov] The activities of the Inter-Parliamentary Union are widespread. They are mainly directed towards developing cooperation between peoples for peace on the planet. They also help to establish contacts between parliaments and parliamentarians of various countries, exchange work experience, and defend human rights, the basic factor of parliamentary democracy.

The agenda of the present conference, which will work until 6 March, includes lots of questions. The two main issues that will be discussed concern problems connected with the prevention of conflicts, the maintenance of peace, as well as the problem of protecting the environment from various wastes of human activity, a problem that has now become a burning issue.

A delegation of the Commonwealth of Independent States, which includes the chairman of the Russian Federation council and the chairmen of the Supreme Soviets of Belarus and Kyrgyzstan, has arrived in Paris to participate in the present conference of the Inter-Parliamentary Union.

I asked Vladimir Shumeyko, chairman of the upper chamber of the Russian parliament and chairman of the inter-parliamentary assembly of the participating CIS states, to tell us about the aims of the CIS delegation, which has the status of observer at the conference.

[Shumeyko] [Words indistinct] about 120 representatives of parliaments of various states have got together. There is considerable interest in our inter-parliamentary assembly, because the CIS, about which we talked so much with you, has not been in existence for long. At the last plenary sitting we agreed to use abbreviations less and that it is better to use the word Commonwealth. Many parliaments express an interest now in what the inter-parliamentary assembly of the former Soviet Union, and today of free sovereign states, itself intends to do, what aims it has, what approaches. Is Russia turning once again to a totalitarian path, an imperial path, the unification of peoples? I think this will never happen, and we, with our assembly, will show this. I will evidently read a paper here, at least the French side [word indistinct] this. I will try to tell of our goals and tasks and explain to the world that we come with peace. [end recording]

Talks With Kazakhstan on Baykonur 'Successful'

LD1803172094 Moscow INTERFAX in English 1123 GMT 18 Mar 94

[Text] Two days of talks on Baykonur between Russian and Kazakh delegations in Moscow with Ukrainian experts taking part have been quite successful.

A senior Russian delegate told Interfax on Friday that the negotiators "agreed on a number of points in the inter-state accord, on which they earlier disagreed."

In his words, "Kazakh representatives responded with understanding to Russia's arguments that the launch site should be leased for no less than thirty years." He also said that a positive solution to the issue was taking shape among both the military and civilians at Baykonur.

He pointed out that there was the narrowing of positions on tripartite cooperation in the exploration of space between Russia, Kazakhstan, and Ukraine. The sides are near an agreement on the joint use of the launch pad for a Russo-Ukrainian Zenith booster at Baykonur.

He confirmed that the problem of compensation to Kazakhstan for the use of Baykonur over the previous two years would be discussed by a special commission separately from the overall talks.

The Kazakh delegation is flying back to Almaty Friday night to finally coordinate its position in preparation for further negotiations in Moscow next week.

According to the Russian representative, it now remains for the sides to work out the wording of an agreement on terms for the launch site's lease, and complete their work by March 26 when the presidents of Russia and Kazakhstan are to sign the accord.

He said the negotiators stood a real chance of completing their job by that date.

As Interfax has learned from a well-placed source, President Nazarbayev is tentatively scheduled to visit Moscow on March 28-29.

Threat To Halt Gas Supply to Ukraine

LD2103205794 Moscow INTERFAX in English 1920 GMT 21 Mar 94

[Text] Russia has once again threatened to completely stop supplying Ukraine with natural gas as of April 1 unless Kiev paid its arrears for earlier received gas by that date.

Informed sources in the Russian gas company Gazprom told Interfax its management had sent an official telegram to Ukraine demanding that the latter honor its commitments under a Russian-Ukrainian March 10 protocol and a contract between Gazprom and the Ukrainian gas enterprise Ukrgazprom.

In the protocol, Ukraine pledged to give Gazprom shares in its gas enterprises and pay by April 1 $100 Mn of the total debt of nearly $900 Mn.

The Gazprom sources said Ukraine had still not made a list of enterprises where Gazprom would have interest or determined the size of the Russian company's shares in them.

To date Ukraine has paid $59 Mn of the $100-Mn sum to be paid by the end of this month. According to some sources, Ukraine also continues siphoning off some of the Russian gas pipelined to Western Europe.

Cooperation Deal Signed With Georgian Minister

LD2103153594 Moscow ITAR-TASS World Service in Russian 1418 GMT 21 Mar 94

[By KRIM-PRESS for TASS]

[Text] Moscow, 21 March—KRIM-PRESS has learned at the public relations center of the Russian Interior Ministry that in line with the program of a Georgian Interior Ministry delegation's stay in Moscow, talks were held today between General Viktor Yerin, Russian minister of internal affairs, and the head of the Georgian delegation, Lieutenant General Shota Kviraia, the Georgian interior minister.

In the course of the conversation, the sides informed each other on the steps their countries are taking to combat crime. Particular attention was paid to the fight against drug trafficking and organized crime. The sides also examined issues of cooperation in training staff for internal affairs bodies.

The agreement on cooperation between the Russian and Georgian interior ministries was signed today at the Russian Ministry of Internal Affairs.

Troop Withdrawal From Latvia Reportedly Accelerated

LD2103145694 Moscow Radio Rossii Network in Russian 1400 GMT 21 Mar 94

[Text] The press service of the Northwestern Group of Forces says that the withdrawal of Russian forces from Latvia has markedly accelerated in the last few days. In view of the success achieved at the interstate talks and the wishes expressed by Latvian leaders, the group's command has decided to hand over a number of military airfields and the assets of two military schools to the Latvians by 1 April. There are still 161 Russian Army installations on Latvian territory. They are manned by roughly 13,000 servicemen.

OPEC Wants Russian Help in Improving World Oil Market

LD2103113994 Moscow ITAR-TASS in English 1116 GMT 21 Mar 94

[By ITAR-TASS correspondent Pavel Spirin]

[Text] Beijing March 21 TASS—Secretary-General of the Organization of Oil Exporting Countries (OPEC) Dr. Subroto appealed to Russia to help OPEC stabilize prices on the world market.

"If we announce that we are going to cut our oil exports, and if Russia demonstrates her desire to participate in that action, then she should, of course, do the same", Subroto told ITAR-TASS in an interview.

"Or else there is no sense in cooperation, really, it would simply be harmful", Subroto continued, commenting on the information released by the Moscow-based World Energy Market Analytic and Forecasting Group (WEMAFG), headed by a famous Russian expert, Professor Yevgeniy Khartukov.

Despite the decline in oil production in Russia, she continues to annually increase the amount of "black gold" exported beyond the limits of the former socialist bloc, declared Khartukov, who also teaches in the Moscow State Institute of International Relations and holds a senior post in the American East-West Center (based in Honolulu). While the Russian Federation daily exported an average of 1.81 million barrels of oil beyond the Soviet Union in 1991, the corresponding figure for 1993 was 2.29 [as received] barrels.

The price of oil is hovering around an all-time low since OPEC was created, about 13 to 15 U.S. dollars per barrel, compared to 28 dollars a barrel just ten years ago.

According to Subroto, representatives of the OPEC member countries intend to meet in Geneva on March 25 to discuss a five per cent lowering of export quotas for their respective governments. If they agree to take this step, then the same suggestion will be made to Russia and other large oil producers.

"We alone cannot continually lower our exports" the secretary- general explained. "This 'cheating', by which some countries make profits off of OPEC policies but do not support the organisation on the world market, cannot continue forever", he declared.

Subroto, who was taking part in an international forum on attracting foreign investment into the development of China's oil resources, which was held in the Beijing hotel "China World", also reported that OPEC countries produce a combined 24.52 million barrels of oil every day. Russia, whose representatives have repeatedly expressed their desire to cooperate with OPEC in coordinating their policies on the world market, produces about 3.5 times less than that.

"If we want to improve the price situation, let's work together, through the combined efforts of OPEC, Russia, and other major oil producers, including China", the OPEC secretary-general said.

Ex-President Gorbachev Visits Taiwan

LD2103064194 Moscow ITAR-TASS in English 0625 GMT 21 Mar 94

[By ITAR-TASS correspondent Pavel Spirin]

[Text] Beijing, March 21 (TASS)—Taiwan, recognised by Russia only as a province of the Chinese People's Republic, is hosting Mikhail Gorbachev, the former president of the former Soviet Union. The perestroika man arrived in Taipei on Sunday evening at the invitation of the influential newspaper LIANHEBAO (UNITED DAILY NEWS).

The last Soviet leader and his wife are accompanied by an impressive eight-strong team of the Gorbachev Fund staffers, according to reports from Taipei.

The six-day tour is designed to give Gorbachev a regal treatment. He will be received by President Li Teng-hui, Prime Minister Lien Chan, Foreign Minister Frederick Chien-fu and other high officials.

Mikhail Gorbachev, called "a prominent political figure of the eighties" in Taiwan wants to address the legislature and hold a press conference on the last day of his visit. Before departure from Moscow, Gorbachev reportedly said, "I hope that my visit will help Russia understand Taiwan better," according to Taiwanese journalists.

Russia Seeks To 'Encourage' Saddam's Compliance

PM1803170094 Moscow IZVESTIYA in Russian 18 Mar 94 p 3

[Elmar Guseynov report: "Russia Intends To Encourage Saddam Husayn"]

[Text] Russia is interested in the speediest lifting of the embargo imposed on Iraq by the United Nations. This is, inter alia, because it will thereby gain the possibility of recovering the sizable sums which Baghdad owes our country. This statement, disseminated by foreign news agencies, was made by a Russian diplomat who remained anonymous.

The statement seemed an absolute sensation because it marked a change in Russia's stand with regard to Iraq. On Friday the Security Council is to discuss the problem of sanctions in the presence of Iraq's representatives.

One of the leaders of the Near East and North Africa Department has told IZVESTIYA that Russia intends to insist that Iraq be given some reassuring signal so as to encourage Baghdad, which is being seen to make obvious progress in its position on arms control and the abandonment of programs for the creation of weapons of mass destruction.

This viewpoint of the Russian Ministry of Foreign Affairs is at variance with the present position of the Americans and the British. They see no signs that Iraq has merited any encouragement. At the same time a number of Security Council members, such as France, China, and Brazil, will obviously voice solidarity with Russia.

It is maintained on Smolenskaya Ploshchad that Russian diplomacy's present position does not signify a cardinal shift in its policy on Iraq. Russia has always held its own viewpoint on the events occurring in this region. In addition, recognition of the progress which Baghdad has made in the disarmament sphere does not signify the immediate lifting of sanctions. Russia will act in accordance with UN decisions.

At present 547 tonnes of crude uranium and 50 kg of enriched uranium, which that country possessed, have been removed from Iraq. But R. Ekeus, leader of the UN Commission for the Destruction of Iraqi Weapons of Mass Destruction, insists that it will be possible to speak of lifting sanctions only after six months of careful monitoring of Iraqi military installations. Meanwhile, the actual mechanism of such monitoring has not yet been worked out. Baghdad insistently demands the lifting of sanctions, citing the fact that keeping them threatens the lives of 400,000 people. Western countries, however, doubt the sincerity of Saddam Husayn's government. The Iraqi authorities are refusing to accept the Security Council's offer to sell oil under UN control, although we could be talking of a sum of $1.6 billion which would be used for humanitarian purposes. Russia's new position could tie still more tightly this whole unusually tangled mass of problems started by the Iraqi troops' invasion of Kuwait in 1990.

Political Issues

Yeltsin Rejects 'Psychological Warfare'

LD2103180194 Moscow ITAR-TASS in English 1753 GMT 21 Mar 94

[Text] Moscow March 21 TASS—There has been an increasingly growing number of attempts of disinformation about (President) Boris Yeltsin's health. Despite the press service explanations that the president's health does not cause concern, disinformation has been insistently repeated, a statement issued by presidential spokesman Vyacheslav Kostikov on Monday said.

It becomes increasingly obvious that obtrusive attempts to impose a thought upon the population that Boris Yeltsin is ill, the desire to torpedo the president's attempts to strengthen civic peace and accord, attempts to press for the revision of the constitution in the part concerning the election of the president, the increased aggressiveness of the irreconcilable opposition and the amnesty itself—these are the links of one campaign. Its aim is to destabilise the situation in the country and return to the tasks which the participants in the October revolt failed to solve at the first attempt. It seems like someone wants to make another one. The impression is that the lessons of the October 1993 did not last long. Abuses of the results of amnesty take place.

The president rejects the practice of psychological warfare in the Russian home. He states that together with the healthy forces of the Federation Council and the State Duma, supported by the democratic public and somber-thinking leaders, including leaders of the parliamentary opposition, he will continue efforts to expand the social basis of civil peace and strengthen Russian statehood, the statement said.

Zorkin on 'Coup' Reports

LD2103205194

[Editorial Report] Moscow Russian Television Network in Russian at 1725 GMT on 21 March in its "Details" program carries a report on talks between correspondent Nikolay Svanidze and Valentin Zorkin, member of the Constitutional Court, about the latest reports of an alleged coup d'etat. Svanidze begins with the following: "Hello! Details continue to focus on versions of a coup d'etat that have been circulating in Moscow over the past few days, the objective being the overthrow of President Yeltsin. I say versions, because until recently people had been talking about one, and now we have a second—version number two—which is a virtual twin of version number one, but more detailed. It contains the same list of names of the plotters: Soskovets; Luzhkov; General Staff chief Kolesnikov; and Deputy Defense Minister Kokoshin. In comparison with the first version, the list also includes Kvasov, head of the government apparatus. However, there are certain reservations about participation in the plot by Skokov and Shumeyko. Moreover, in comparison with the first version, it says that a plot is possible after spring of this year. Well, like the first version, behind the backs of the plotters lurks the figure of Prime Minister Viktor Stepanovich Chernomyrdin.

"If one takes the thinking of the authors of the document to its logical conclusion, an attempt on Yeltsin is being prepared by the hierarchy of the Cabinet of Ministers, the Federation Council, the Moscow administration, and a powerful section of the army leadership, with the well-disposed neutrality of other power ministries. If one takes these anonymous notes on trust, then President Yeltsin will clearly remain alone. He will weaken and try to obtain satisfaction from his last days in the office of president. Thus, it would be impossible to counter a powerful alliance of the above-mentioned figures and state structures. But if not everything in these notes is true—which is more than probable in view of the complex relations of the above-mentioned people among themselves and their very doubtful interest in Yeltsin's removal—then a whole number of questions remain. The main one of these: why are anonymous letters of this kind appearing now?"

Svanidze then turns to Valeriy Zorkin, member of the Constitutional Court, and asks who he thinks might gain from all this. Zorkin says he believes it is those who do not reckon with realities and believe the country can be brought back from the abyss by junta-type coups. If those who elaborated all this believe that they can carry out a "palace junta," Zorkin says, they are sadly disillusioned. Zorkin says he proposes another "version" where effective power should be linked with national accord.

Svanidze wonders how real the possibility of a peaceful outcome of the crisis is and if there can really be accord in Russia in the foreseeable future. Zorkin believes that the existing institutions of power must be strengthened and that one must do everything to make society concentrate around presidential power, which is the only real capable institution.

Svanidze notes that "all the politicians named in the documents represent the pragmatic center. Some of these—Luzhkov, Shumeyko, and Chernomyrdin—are possible strong candidates for the president's chair. A most probable task of their opponents is to cast aspersions on them."

Svanidze asks Zorkin why he decided to become a member of such movements with the word "accord" in them. Zorkin says there is nothing strange or odious in joining such movements if you believe in what they stand for. But this is not what it is at issue, Zorkin says. It is true there are a number of people in these movements who may be called centrists, he says. What we must do is to find a delicate combination between democracy and authoritarianism on the basis of accord and clearly set-out rules with a social treaty of the whole people, Zorkin says.

Svanidze notes: "According to an INTERFAX report, Aleksey Ilyushenko, acting Russian procurator general, today issued an amendment to a report regarding the intention to carry out a coup d'etat. According to Ilyushenko, the procuracy general is prepared to institute criminal proceedings on accusations of slander in combination with charges of a state crime. Members of the general procuracy, the Ministry of Internal Affairs, and the federal counterintelligence service will be brought into the investigation."

Shakhray on 'Coup Plot'

PM2103205194 Moscow KOMSOMOLSKAYA PRAVDA in Russian 22 Mar 94 p 1

[Feature comprising comments by State Duma deputy Sergey Yushenkov and Russian Federation Minister of Nationalities Affairs and Regional Policy Sergey Shakhray, plus unattributed "Stop Press" paragraph under the general heading "Spring. Bursting Buds and Coup Rumors": "Cui Bono?"]

[Text] Sergey Yushenkov (State Duma deputy):

The destabilization of society currently benefits those who one way or another found themselves excluded from the State Duma on 12 December. They are dreaming of revenge following the October events. I wish to say that dozens of similar coup theories are currently in circulation.

Judge for yourself: Why would Chernomyrdin want a coup when he has more power than anyone else in the country? As for Skokov, he's a busted flush.... And in general the very selection of "coup participants" is so inconsistent! When I heard about this I went up to Poltoranin and said: "How could you dare to prepare such a coup?" He laughed: "If I'd been doing the organizing I'd have done it properly...."

Sergey Shakhray (Russian federation minister):

I'm inclined to regard this as well-organized disinformation. Skillfully done, but not corresponding to reality. I think that the main purpose of the "leak" is to increase the president's suspicion toward his last political support (representatives of virtually all political forces have been lumped together in the circle of "conspirators") and bring discord into their relationship.

Another purpose is to stir up society and clear the way in the public mind for a third force. The result has been achieved. It was professionally done—you can sense the hand of the Security Ministry or the Main Intelligence Directorate. In my view the president himself has no interest in such a "leak."

Stop Press: KOMSOMOLSKAYA PRAVDA sources in the White House have informed us that, according to the official story, the White House telephones are silent because of repairmen who inadvertently broke a cable. In their view it will take another two days to repair the line.

Chernomyrdin Dismisses 'Fabrications'

LD2203111694 Moscow ITAR-TASS World Service in Russian 1046 GMT 22 Mar 94

[By ITAR-TASS correspondent Irina Shchegoleva]

[Text] Sochi, 22 Mar (ITAR-TASS)—Russian Prime Minister Viktor Chernomyrdin left Sochi by air for Moscow this afternoon. Speaking to journalists prior to his departure from Sochi airport, the head of the cabinet described the fabrications about a deterioration in the Russian president's health as "insulting."

The prime minister strongly denied recent rumors that Boris Yeltsin's health has sharply deteriorated. "Yesterday Boris Nikolayevich and I did almost four hours' work together. The work was continued this morning," Viktor Chernomyrdin said. "We resolved a whole series of questions—both economic and political—and discussed the situation in the south of the country." "Somebody has an interest in destabilizing the situation," he stressed.

Poltoranin Denies Plot

LD2203130294 Moscow ITAR-TASS in English 1242 GMT 22 Mar 94

[By ITAR-TASS correspondent Lyudmila Aleksandrova]

[Text] Moscow March 22 TASS—Yet another "top Russian official", who was said to be involved in an alleged coup planned to oust Boris Yeltsin, denied the accusations calling them a "clumsy political joke".

"I laughed when I saw my name among the (coup) plotters", Mikhail Poltoranin, a former aide of the president and currently the chairman of the State Duma commission on information policy, told TASS on Tuesday.

The OBSHCHAYA GAZETA said last week Poltorainin and several other top officials were involved in plotting to oust the president. The office of the Russian prosecutor general said it was checking whether the report corresponds to reality and threatened to bring criminal charges against the newspaper if the information turned out to be false.

Poltoranin said that the report was "especially silly", all names listed there were politically incompatible and plans unrealistic. He said he was confused by the fact that the Russian press paid so much attention to the report. "Only limited and incompetent people can get on such a bait", he stressed.

On Monday another "plotter" denied his involvement in the "coup". First Deputy Prime Minister Oleg Soskovets asked the prosecutor's office to clear up the accusations against him. Moscow Mayor Yuriy Luzhkov was also on the list. He was the first to deny the allegations in a Sunday TV interview.

Soskovets Not To Respond

LD2203135994 Moscow ITAR-TASS in English 1338 GMT 22 Mar 94

[By ITAR-TASS correspondent]

[Text] Moscow March 22 TASS—"First Vice-Premier Oleg Soskovets has not officially complained to the procurator-general's office against the article 'Buds Swelling. For a New Putsch?', published in the 11th issue of the OBSHCHAYA GAZETA here last Friday," says a statement by the first vice-premier's press secretary, forwarded to ITAR-TASS today. (The article said that Soskovets was a member of an allegedly existing "group of state leaders" wishing to remove Boris Yeltsin from power—ITAR-TASS).

"In principle, he has no intention of reacting in any way to such publications," the statement says.

"At the same time, I must express concern on behalf of the first vice-premier in connection with attempts to split our society asunder, to sow discord within the state-governing structures, among prominent politicians and public leaders. Such attempts directly contradict the tendency towards concord, gaining strength in our society, which was created by President Yeltsin's recent initiatives," the document stresses.

"Oleg Soskovets believes that the consolidation of civil peace will be promoted also by the government-planned measures to stabilise the economy and increase the social character of the ongoing reforms," the press secretary says in his official document. "The way to consolidate and develop Russia lies through the cooperation of all the organs of power, all the political parties, public movements and social groups. The first vice-premier, just as other members of the government, regards our president as the guarantor of peace, tranquility and stability in the country."

Yeltsin To Return 'Friday or Saturday'

LD2203132394 Moscow Mayak Radio Network in Russian 1300 GMT 22 Mar 94

[Text] Sources in the Kremlin have confirmed that it is most likely that Boris Yeltsin will return to Moscow from Sochi on Friday or Saturday.

Rutskoy on 'Farce'

LD2203155794 Moscow Radio Rossii Network in Russian 1400 GMT 22 Mar 94

[Text] Aleksandr Rutskoy has described as a farce and deception the rumors about preparations for a coup d'etat in connection with the appearance in the press of an anonymous document with a possible scenario of such an action. According to him, the situation is being especially dramatized in order to divert people's attention. He stated this during a visit to an agricultural fair on the territory of the All-Russian Exhibition Center, our correspondent Marina Chernukha reports. At the same time Aleksandr Rutskoy remarked that anything could be expected in the present situation, but he declared that, God forbid, he should again go through events like those of October 1993. Aleksandr Rutskoy is convinced that the situation in the country can be put right; what this needs is to ensure the control of the state, to determine the priorities of the development of the economy, to create stimuli for their realization, and to observe the laws.

Rutskoy Tells KYODO of Presidential Aspirations

PM2203093194 Moscow IZVESTIYA in Russian 22 Mar 94 p 4

[Sergey Agafonov report: "Aleksandr Rutskoy: I Want To Run for President, and Soon"]

[Text] Tokyo—The Japanese KYODO agency has circulated an interview with Rutskoy through its channels. As the Japanese would have it, this is well nigh the first policy utterance by the amnestied bearded leader since his stay in Lefortovo [Prison].

Rutskoy informs the Japanese that he is ready for the struggle for the post of Russian president and does not intend to leave the political arena. The leader notes without false modesty here that he has sufficient strength and experience to successfully conduct an election campaign and then lead Russia. Rutskoy attributes this uncommon self-confidence to the fact that he is virtually insured against making major political mistakes in the future because in the past Yeltsin has taught him clear lessons in a specific discipline: how not to run the country.

Having received such a valuable "inoculation," the amnestied figure gave the Japanese to understand that in order to achieve his aims he intends to form a powerful united patriotic front, which will be his mainstay in the election and bring him to power. Judging from his replies his allies in the struggle will be communists and other patriotic forces whose potential the leader has to utilize effectively. Rutskoy also called for the voluntary reunification of former Soviet republics in a new union, noting the objective need for such integration.

The recent inmate of Leforotovo inveighs against Yeltsin in strong and varied terms. In addition, Rutskoy curses the West and the world community as a whole for the support given to the present Russian president in October last year. Rutskoy stresses here that he does not consider himself a criminal. On the contrary, he calls himself a true defender of the law and constitution and is puzzled as to how foreign observers—in whose eyes "those who shot innocent people" are still reformers—were unable to discern this.

The former vice president informed the Japanese that he is currently very busy finishing off his latest book with the epoch-making title "Ways of Reforming Russia in All Key Areas."

A scientific-sounding title, but judging from the author's explanations the book, which is due to come out as early as this summer, will describe not only the mysteries of reform but also backstage Kremlin intrigues in 1991-1993. Rutskoy promises to spill the beans about his relations with Yeltsin and to cite other juicy details from the life of the political elite.

In a short commentary on Rutskoy's written replies, KYODO indicates the high probability that a Russian presidential election should be expected not in 1996, when Yeltsin's term of office officially expires, but before that—next year or even at the end of this year.

Zorkin Vows To Choose Between Politics, Judiciary

LD2103210794 Moscow INTERFAX in English 1920 GMT 21 Mar 94

[Text] Valeriy Zorkin, formerly chairman of the Russian Constitutional Court (CC) and today an ordinary CC judge, said his signing of an appeal for setting up an accord for Russia movement was "undoubtedly a political act."

Thereby Zorkin, in an interview with Interfax on Monday, expressed agreement with a statement by the other CC members, who Monday accused him of breaking the law on the status of a judge by pursuing political activities and demanded that he choose between politics and the judiciary.

Zorkin told Interfax he would make his choice very soon, but said his CC colleagues should hardly have slammed him for doing something "aimed at restoring the constitutional system."

Dismissal of any CC judge would make no sense these days anyway, for the court "hasn't been operating for the past half year," so "the judges have been suspended anyway. It seemed to me that the signing of the appeal for the new movement, Accord for Russia, would bring forward the moment when the Constitutional Court started to operate again," Zorkin said.

Meanwhile, acting CC chairman Nikolay Vitruk told reporters Monday that the CC judges had unanimously qualified Zorkin's step as political and contradicting his status as a judge. Thereby "Zorkin again tried to create a conflict situation in the court. But he didn't manage to do that. We are not against his act as such, because it is aimed at conciliation in society, but one must act by legal means," Vitruk said. He said most of the judges who had formerly supported Zorkin "this time suggested that he resign."

Vitruk said the law made no provision for dismissing a judge, but expressed the hope that Zorkin would quit voluntarily.

Zhirinovskiy To Sue Sobchak, Gaydar, Others

LD2103201794 Moscow INTERFAX in English 1719 GMT 21 Mar 94

[Text] Liberal Democratic Party leader Vladimir Zhirinovskiy intends to sue St. Petersburg Mayor Anatoliy Sobchak, leader of the State Duma faction Russia's Choice Yegor Gaydar, Russian Foreign Minister Andrey Kozyrev and retired KGB Major-General Oleg Kalugin for defamation, Zhirinovskiy's lawyer Sergey Belyak told Interfax Monday.

He said the move was caused by statements of these political figures addressed at Zhirinovskiy in which he "was called an agent of special services and a product of the KGB, compared to Hitler and accused of spreading fascist ideology." Besides, Belyak said that Zhirinovskiy would also sue the mass media which reported these statements.

The amount of reimbursement is still being kept secret. Belyak said that the documents had already been prepared and would be presented to court within the next few days.

Boldyrev Accuses Yeltsin of Violating Constitution

LD1803214194 Moscow INTERFAX in English 1932 GMT 18 Mar 94

[Text] Russian President Boris Yeltsin violated the Russian Constitution when accepting the resignation of Former Prosecutor General Aleksandr Kazannik and appointing the acting prosecutor general. This was said by a Federation Council deputy, a leader of the Yavlinsky-Boldyrev-Lukin bloc, Yuriy Boldyrev, at a press conference in St. Petersburg on Friday.

The Federation Council did not raise the issue on violation of the Constitution by the president since 54 percent of the Federation Council's deputies are also employees of other legislative bodies, Deputy Boldyrev suggested.

According to Deputy Boldyrev, the freeing of Former Vice President Rutskoy and Former Parliament's Speaker Khasbulatov from the Lefortovo prison was in the interests of the president's team. Boldyrev suggested that while in prison they had been regarded as victims and that it would be much more difficult for them to maintain their authority when free.

Deputy Boldyrev condemned the State Duma's resolution on economic amnesty. He said no amnesty was needed to free people whose actions were today not considered criminal. The appropriate provision in the Criminal Code would be sufficient for this, he added.

"Those who abused their powers are now also freed due to the economic amnesty," Deputy Boldyrev said. He stressed that the amnesty would not lay the foundation for civil accord.

Little Prospect Seen of Broad Political 'Accord'

PM2103134594 Moscow IZVESTIYA in Russian 19 Mar 94 p 1

[Valeriy Vyzhutovich report under the general heading: "Russia Threatened With Accord Bolshevik-Style. Future of Economic Reform Is Very Hazy"]

[Text] The week of the president's absence on vacation has seen the return to use in Russia of a word that is politically not in the first flush of youth, a word well and truly worn with futile overuse—"accord." Boris Yeltsin put it into circulation by organizing the formulation of the Memorandum on Civil Accord.

But accord between and with whom? If it is accord between Russian citizens (why else should it be called "civil" accord?), the bulk of these citizens do not seem overly worried about putting up barricades. There are no signs of any intense emotion anywhere, no apparent upheaval—which does credit to not only the people's tremendous long-suffering but also their common sense.

We are of course talking about accord among political forces. As predicted, the opposing parties and movements have their own ideas of this accord and their own means of achieving it. While a working group comprising representatives of the presidential administration, the government, the Moscow Patriarchate, the leadership of the State Duma, the Federation Council, and the Constitutional Court is preparing a draft memorandum, opposition leaders have already presented theirs. And they have founded without lengthy disputes the "Accord for Russia" movement, which observers have viewed as the opening of a second National Salvation Front.

Rutskoy, Lukyanov, Prokhanov, Zyuganov, Zorkin, Chikin, Tuleyev, Baburin, and Govorukhin (the declaration carries 14 signatures in all) are proposing a "social contract among all patriotic forces and movements that deny violence, racism, and nationalism."

This retaliatory "peace initiative" is reminiscent of a counterclaim. The Communists and the patriots are prepared to seek accord solely on their own political territory, as Gennadiy Zyuganov said with party-minded bluntness at the 15 March Communist Party of the Russian Federation Central Executive Committee plenum: "During the voting in the Duma in favor of the Memorandum of Accord the Communist faction also came up with further conditions that are essential for national reconciliation." Namely, a change in the socioeconomic course, a socialist path of development, the restoration of the union state, etc.

Opposition leaders are hardly giving way to illusions: No accord other than accord between Prokhanov and Zyuganov, Rutskoy and Lukyanov, Baburin and Govorukhin can be secured on these terms. However, it is easy to ensure that the party economic nomenklatura returns to power at local level on these terms, as the provincial election campaign reminded us this week. The idea of electing the president not by national ballot but by a kind of new Zemskiy Sobor [ancient council of nobles] comprising members of the Federation Council and representatives of the territories can be developed on these terms—an idea that has been abandoned like a trial balloon. In these areas the president's opponents have been extremely successful over the last few days and have effectively encountered no resistance from the president's supporters.

The four-day Duma discussion of the president's message also provided a reminder of the agglomerations and obstacles in the way of political accord. Finally, after two meetings, the conciliation commission comprising members of various factions and deputies' groups formulated a document which has won the approval of a Duma majority. Deputies in the Federation Council were meanwhile fighting an exhausting campaign for their powers, saying that they alone had the right to dismiss the general prosecutor and not the president—and there were no signs of accord with the latter here.

Last, there was also a street gathering of dissenters—a 17 March rally on Moscow's Theater Square organized by the National Salvation Front and the "Revival" and "Working Moscow" movements to mark the third anniversary of the all-Union referendum on the future of the USSR.

However, virtually everything that happened in the parliamentary chambers, on the square, everywhere that saw political rallies this week was accompanied by calls for civil peace.

The political result of the past week must be deemed to be the appreciable consolidation of antireform forces rejecting broad civil accord or prepared to secure it only on their own terms, which they know to be unacceptable to democratic parties and movements. The latter's equally obvious passivity at this time is enabling "Accord for Russia" to form an organization that can pool its efforts in the fight for power.

Yeltsin Aide Cites Apprehensions on 1991 Coup Case

PM2103110594 Moscow ROSSIYSKAYA GAZETA in Russian 18 Mar 94 p 5

[ITAR-TASS correspondent Tamara Zamyatina report specially for ROSSIYSKAYA GAZETA: "Three Options in Quest for Truth. Which One Will Supreme Court Choose?"]

[Text] The investigation into the State Committee for the State of Emergency [SCSE] case is the way to establish the historical truth, Yuriy Baturin, an aide to the Russian president, believes.

"If the renewed judicial investigation into the SCSE case is brought to an end once again, it will have major moral repercussions for society. Society will be led away from the quest for the historical truth." This position was voiced in an interview with this ITAR-TASS correspondent by Yuriy Baturin, the Russian president's national security aide. And he particularly emphasized in the conversation that his opinion should in no way be interpreted as pressuring the Supreme Court.

Baturin's fears in connection with the emergence of new "blank spots" in the country's history are based on the fact that in the prevailing situation—whereby the SCSE members have been granted an amnesty in violation of Article 5 of the Code of Criminal Procedure, following which this decision was repealed by the Military Collegium—at the stage of the scheduled new judicial investigation, three options are possible: either the search for the truth is continued until a conviction or acquittal is gained, after which the amnesty would come into force; or the case is sent for additional investigation; or the case is closed.

"If the Supreme Court takes the first option it will trigger a new judicial investigation. This would mean restoring legality and continuing the search for the truth. Then we could take our hat off to the Supreme Court," Yuriy Baturin said.

The second option—of sending the case back for additional investigation—would mean that the prosecutor's office would again study 150 bulky volumes of evidence.

The third option would be to close the case at the new stage in light of the legitimate ground of the act of amnesty. "This may be a well-conceived way of legitimately closing the case illegally," was how Baturin put it, since, although it was illegal to close the case in the course of the judicial investigation, the law does not prevent this now that a new investigation is in preparation.

Intelligence Chief Briefs Duma on Arms, U.S. Policy

LD2103185294 Moscow Radiostantsiya Ekho Moskvy in Russian 1605 GMT 21 Mar 94

[Text] [Announcer Irina Merkulova] A closed session of the lower house's Committee on International Affairs was held at the State Duma today. It was attended by Yevgeniy Primakov, director of Russia's Foreign Intelligence Service [FIS]. In an interview with our correspondent, Yuriy Kobaladze, the head of the FIS's Press Bureau, described the aim of this meeting in the following terms:

[Begin Kobaladze recording] This is normal international practice. This was simply a way of telling MP's what the intelligence service is doing, the tasks it is facing, and the way it is tackling them. [end recording]

[Merkulova] At the same time, our correspondent learned the following:

[Begin Correspondent Aleksey Venediktov recording] Moscow Echo's sources say that in his address, Primakov referred to certain inconsistencies between the Constitution adopted on 12 December and the law on foreign intelligence. However, arms exports were the main topic. Primakov expressed conviction that arms sales must be controlled by a single monopoly, Rosvooruzheniye, rather than several firms competing among themselves. The FIS director said that arms exports could earn the country substantial profits—and not just in Russia's traditional markets.

He stressed that Russia's intelligence service had observed a drawing together of the positions of Iran and Turkey, both in Afghanistan and the Transcaucasus.

Referring to the United States' stance on various questions, Primakov noted that according to his information, the United States supports Belarus' entry into the ruble zone and advocates the preservation of Russia's unity.

According to our sources, the hearings on foreign intelligence were more reminiscent of a scholarly seminar than a chance for MP's to learn about state secrets. However, the important thing is that the first contact has been established, our sources stressed. [end recording]

[Merkulova] Yuriy Kobaladze reacted in the following manner when we asked him to confirm or deny that information:

[Begin Kobaladze recording] I cannot comment on those points. If Duma sources supply you with such information, you should quote Duma sources.

[Merkulova] Let me add that the State Duma's Committee on International Affairs also refused to comment. It advised that this report should not even be broadcast.

Yeltsin Issues Edict on Social, Labor Commission

LD2103195594 Moscow Radio Rossii Network in Russian 1700 GMT 21 Mar 94

[Text] Boris Yeltsin has signed an edict on some issues relating to the activity of the Russian tripartite commission for the settlement of social and labor relations. The document has been adopted for the purpose of providing, within the framework of that commission, for regular agreement with the position of the president, for uniting the employers, and bringing together the trades unions in the sphere of socio-economic policy. Yuriy Yarov has been appointed the coordinator of the commission.

Boris Yeltsin also issued an edict on measures for providing for reforms in local government. It is established that bodies of state power of the subjects of the Russian Federation can set the date of elections to the representative bodies of local government in autumn this year.

Yeltsin Decrees Local Self-Government Elections

LD2103183594 Moscow ITAR-TASS in English 1546 GMT 21 Mar 94

[By ITAR-TASS correspondent]

[Text] Moscow March 21 TASS—Russian President Boris Yeltsin issued a decree allowing regional authorities to announce elections to local self-government bodies for Autumn, the press service of the Russian leader said on Monday.

"The decree says that bodies of state power of the subjects of the Russian Federation taking into account local conditions can announce elections to legislative bodies of local self-government for Autumn 1994", the press service said.

Economic Issues

Official Views Progress of Privatization

BR2103150094 Paris LE MONDE (L'ECONOMIE supplement) in French 20-21 Mar 94 p iii

[Interview with Dimitriy Vasilyev, deputy chairman of the Russian Federation Committee for the Management of State Property, by Sophie Gherardi; place, date not given: "Seventy Percent of Russian Industry Will Be Privatized Within Three Months"]

[Text] Dimitriy Vasilyev, around 30 years old and from St. Petersburg like his boss Anatoliy Chubays (Russia's privatization chief), is deputy chairman of the Russian Federation's Committee for the Management of State Property. For four years, he has been working against the odds for the transfer to private ownership of the Russian production apparatus. His tactic, which is not very "capitalist" (150 million coupons have been distributed to citizens who invest them as they wish in auction sales) has managed to create millions of small shareholders. It absolutely must end on 30 June 1994. On that date, the transfer of property will theoretically have been achieved, but the enterprises' problems will still exist.

[Gherardi] Does the new political configuration in Russia endanger the privatization process?

[Vasilyev] I do not think so. The people all have privatization coupons, and now they feel they own something. No political party dares to call that into question. Of course, there is no lack of critics: the Communists and Centrists, for instance, say that the military-industrial complex and land should not be privatized. But President Yeltsin has never stopped expressing support for privatization. The proof of this is that the Committee for the Management of State Property chaired by Anatoliy Chubays has remained in place.

[Gherardi] And what is the public's attitude?

[Vasilyev] I would say that there is "quiet support" for the privatizations. The people find that things are not moving quickly enough, those in remote provinces are insisting that they should not be left out. We have tried to move closer to them with our 90 regional committees. It is true that there is frustration, especially among those who squandered their coupon at the start.

[Gherardi] How did they lose them?

[Vasilyev] We distributed one coupon per person (in other words around 150 million coupons), with a face value of 10,000 rubles [R] (Footnote 1) ($1 equals R1,600. The sum of R10,000 is more a convention than a price), but sold for the symbolic sum of R25. Some preferred to immediately exchange their coupon for cash—or vodka. Others made a bad investment and are regretting it. But a coupon market was very quickly established: The rate stagnated at around R5,000 until mid-1993 and then rose to almost R30,000 after the October events (Footnote 2) (The attack on the rebel Parliament) and returned to between R20,000 and R25,000 in recent weeks.

[Gherardi] What means do the Russians have for judging the enterprises in which they invest?

[Vasilyev] There are information campaigns in the newspapers and on television. But it is primarily by word of mouth. The enterprises in the energy, oil, and food processing sectors are very successful, as are hotel chains or stores. On the other hand, the public does not really like the firms in the military-industrial complex.

[Gherardi] What is the status of privatization operations?

[Vasilyev] They are progressing very rapidly. Around half of the industrial apparatus has already been privatized. Eighty million coupons (in other words 55 percent of the total) have been turned into shares. The people who waited, hoping that better enterprises would be put onto the market later, have not necessarily miscalculated, but they are then likely to run out of time: The coupons lose their value as of 1 July 1994 (the date has already been postponed by six months and there will be no new postponement). On that date, 70 percent of industrial property will have been transferred to the private sector. We will have become a bourgeois country!

[Gherardi] Do the Russians prefer to buy the enterprise which employs them?

[Vasilyev] Not necessarily. Just 15 to 20 percent of the coupons have been used in that way. By the way, that gives an idea of how much confidence the employees have in their enterprise! The biggest share (27 percent) has been invested in joint investment funds: 640 of these funds were created in a few months, and the largest one received 3 million coupons. And 10 percent of people decided to invest in enterprises other than their own.

[Gherardi] Has privatization changed some aspect of corporate management?

[Vasilyev] Privatization has not radically changed the situation on the ground. The positive point is that there are now identified owners. Of course, the structure of the capital is not very efficient: In three-fourths of cases (out of 8,300 enterprises sold by the end of December 1993), it is the enterprise's employees who have bought 51 percent of the capital. But in this privatization formula, 29 percent of the remaining capital must be auctioned (in exchange for coupons). It is true that the power has largely remained with the existing shareholders, but the freedom to sell shares will lead to reorganizations. There are already quarrels between the directors and outside investors to buy their shares back from the workers. They are approached even on the shop floor!

[Gherardi] They will not have been "bourgeois" for very long...

[Vasilyev] Not all are prepared to sell! There will be many small investors in Russia for a long time. That is not necessarily a bad thing. That creates a class of small owners who form the strongest basis for democracy. I will go even further: Hitherto there had been no social support for a policy of combating inflation; this new class will very quickly see the importance of financial stabilization and will give its support. In this sense, stabilization and privatization go together.

[Gherardi] But what future can enterprises "privatized" in this way have without fresh capital or new men?

[Vasilyev] The problem of recapitalization will very soon be raised. Nothing prevents enterprises from issuing new shares. Half of those which have been privatized have done so or are preparing to do so. Of course, that creates great competition to secure capital: The enterprises will be forced to open up their capital structure and often to give up control. But this will be a natural process, without any intervention by bureaucracy. They have assets they can sell. They will also try to establish alliances with foreign or Russian partners.

[Gherardi] Is there a difference in productivity between the privatized firms and the others?

[Vasilyev] We cannot see it very clearly yet. All the enterprises must be reorganized in a radical way: Know the market better, organize their distribution, and improve production. That will take at least one or two half-year periods. But there are dozens of examples of very efficient enterprises, even on an international level. We can mention firms like Lubertsy, which manufactures carpets in the Moscow area; or Kurgan in the Urals, which produces parts for oil extraction equipment; or even clothing factories in St. Petersburg. The quality they produce is comparable with that in other parts of the world, but at much lower prices.

[Gherardi] Which enterprises still have to be privatized?

[Vasilyev] We have already sold very big companies, such as ZIL (automobiles) for instance, which now have thousands of foreign shareholders. Others were of a more modest size. The average number of employees in the privatized enterprises was around 1,000. At present, we are preparing for the privatization of Gazprom (Footnote 3) (Gas monopoly which was chaired by current Prime Minister Viktor Chernomyrdin) for April. This is an enormous operation: 89 million shares representing 29 percent of the capital will be offered to the public. I think the demand will be very high.

[Gherardi] What share will continue to be owned by the state? Will Russia be a mixed economy?

[Vasilyev] The mixed economy exists everywhere, it is a question of degree. There are natural monopolies which will remain in state hands, like RAOES, the Russian equivalent of EDF [French Electricity Company] or some enterprises in the military-industrial complex. But the state should be involved as little as possible in corporate management, it is incapable of running enterprises.

State Tax Service Reports January Receipts, Arrears

PM2103142794 Moscow ROSSIYSKIYE VESTI in Russian 18 Mar 94 p 2

[Unattributed report under "Information for Reflection" rubric: "Tax Receipts in January 1994. Announcement by Russian Federation State Tax Service"]

[Text] A total of 4.86 trillion rubles [R] in taxes and other obligatory payments was mobilized into the country's budget system in January 1994, that is, 22 percent less than in December of last year. Receipts by the federal budget comprised R2 trillion-plus and fell by almost 2 percent in this time. Furthermore, taxpayers remitting tax in foreign currency paid in around $32 million.

A reduction in the volume of tax collections for the month was noted practically everywhere with the exception of Leningrad and Yaroslavl Oblasts. The most considerable decrease in receipts occurred in Yamalo-Nenetsk Autonomous Okrug—by two-thirds, Kabardino-Balkar Republic and Kemerovo Oblast—by one-half, and in another 17 regions—by one-third.

The reduction in tax receipts was acounted for primarily by the profits tax, which comprised just over R1.8 trillion in January and fell by almost one-third compared with December.

Side by side with enterprises' difficult financial position, the changes in taxation legislation introduced at the beginning of the year, connected with giving the taxpayer additional benefits and exempting small enterprises from making advance payments during the quarter, has also affected the reduced scale of collection of this tax.

A total of R1.6 trillion in value-added tax [VAT] was collected in January, which approximately corresponds to the level of December last year, while R216 billion—

or one-third less—were collected in excise duties, mainly because of reduced receipts from gas and alcoholic drinks. Furthermore, one-fourth of VAT and excise receipts was collected ahead of time in December 1993, by way of additional advance payment.

Three-fourths of the volume of all profits tax receipts in January were accounted for by current payments, and 59 percent by VAT. Receipts from profits tax were R1.4 trillion in the country as a whole and fell by 29 percent compared with December, with VAT receipts registering R958 billion and a 3-percent fall respectively.

Compared with December, the collection of current VAT payments fell in 60 regions. The greatest laggardness from average Russian rates occurred in the Republic of Tuva [Tyva]—by 74 percent, Khakasiya, Omsk and Magadan Oblasts, and Khanty-Mansiysk Autonomous Okrug—by 62-67 percent.

Among other basic taxes it is necessary to note the significant (34 percent) reduction in volumes of income tax from physical entities. Receipts from the aforesaid tax were only R620 billion as compared with R942 billion in December 1993. As practice shows, every year January income tax receipts are as a rule lower than the previous month's. This is due to the fact that enterprises and organizations generally pay their workers bonuses in December on the basis of the year's work results, and an additional influx of receipts from the aforesaid tax is ensured during this month because of this.

In January, the proportion of deductions into the federal budget went up significantly compared with the previous month, constituting 42 percent against December's 33 percent; on VAT the figures are 68 percent and 60 percent, and on profits (income) tax—41 and 29 percent.

During the month the problem of arrears in the payment of taxes into the budget by enterprises and organizations deteriorated still further. In this month alone this debt increased by R1.4 trillion, or by a factor of 1.5. As of 1 February 1994 the volume of arrears on payments into the budget which accumulated during the whole of 1993 reached almost R4.5 trillion and proved to be equal to the sum of taxes paid in in January of this year.

The extent of budgetary arrears for VAT has reached almost R2 trillion, which is 1.5 times more than a month ago. The sum of VAT arrears exceeded the volume of January's payments of this tax by 17 percent. Total arrears on profits tax remained at practically the same level, comprising R1.3 trillion.

It must be noted that the federal budget accounts for two-thirds of the arrears of payments into the budget. The volume of federal budget arrears in Khanty-Mansiysk and Yamalo-Nenetsk Autonomous Okrugs has reached R1.2 trillion, or 42 percent of its size for the whole of the Russian Federation. In Orenburg Oblast the debt on payments into the federal budget is R100 billion, (84 percent of the total volume of arrears), Perm Oblast—R98 billion (82 percent), Irkutsk Oblast—R97 billion (76 percent), Tomsk Oblast—R78 billion (79 percent), and Nizhniy Novgorod Oblast—R62 billion (85 percent).

According to the calculations of the State Tax Service, keeping the volume of arrears at least at the level that prevailed at the beginning of the year would enable us to ensure that tax payments can be levied in January on approximately the scale that was reached in December of last year.

Military, Nuclear & Space Issues

Grachev Hopes for Defense Budget Increase

PM2203131594 Moscow ROSSIYSKAYA GAZETA in Russian 22 Mar 94 First Edition p 3

[Unattributed report: "Grachev Expects Money"]

[Text] The Russian Federation defense minister has voiced the hope that the ministry's budget for 1994 will nonetheless be increased. The defense minister noted that the proposed total defense budget (37 trillion rubles) is being insisted on solely by the Finance Ministry. In his opinion, it would meet only 46-47 percent of the Armed Forces' requirements.

Deputy Finance Minister on Defense Budget

PM2203132194 Moscow ROSSIYSKAYA GAZETA in Russian 22 Mar 94 First Edition p 3

[Unattributed report: "Reserves at 'Zero'"]

[Text] If all the Defense Ministry's funding requests are met, "it would virtually be necessary to stop economic relations in the country, switch the state to labor camps, and carry out the tasks formulated by the Defense Ministry." This was stated by Andrey Vavilov, Russian Federation deputy finance minister.

Whereas in 1992-1993 military spending accounted for around 5 percent of GDP, this year it will represent 5.03 percent, A. Vavilov said. Pointing to the need to cut defense spending in the light of Russia's foreign policy commitments, the deputy minister admitted that circumstances do not permit this process to begin. According to A. Vavilov, the Russian troop withdrawal from distant and nearby foreign countries in particular and provision for these servicemen will require very considerable expenditure.

Grachev on Kaliningrad Special Defense Area

PM2203111994 Moscow KOMSOMOLSKAYA PRAVDA in Russian 22 Mar 94 p 2

[Aleksandr Khokhlov "Military Review": "Pavel Makes Iron Curtains for Window Opened by Peter"]

[Text] Army General Grachev, Russian defense minister, spent the end of last week visiting Kaliningrad.

Although he himself described this as a scheduled trip, the visit to the Russian enclave in the West was in many respects unexpected. Grachev was expected in St. Petersburg. Informed sources believe that the military minister's plans were changed by the urgent need to decide the Baltic Fleet's future—whether it is to exist or not.

The Defense Ministry is disastrously short of money. Whereas at the end of 1992 the state's debts to the military totaled 5 percent of the defense budget, at the end of 1993 the army and navy were owed 25 percent of their finances. In January 1994 the Defense Ministry was given just 63 percent of the money it requires. There is only enough money to pay wages. The Defense Ministry cannot pay the military-industrial complex for hardware and weapons. Some 64 percent of all Russia's enterprises work for the defense industry and are paid by the Defense Ministry—over half the country's plants, millions of workers. In 1993 only half of the Defense Ministry's 2.2 trillion-ruble arrears to the military-industrial complex were paid off. The military-industrial complex is "falling apart."

The results of the "battle" over the military budget in 1994 are unpredictable. But it is obvious even now that the Defense Ministry will not receive all the money it requires. Therefore the question of cutting back a number of military structures is an acute one. The Baltic Fleet has come under attack. Two views have clashed in the Defense Ministry. First: That the fleet not be destroyed. Second: That, on the basis of the Baltic Fleet and the Leningrad Naval Base, a "diviziya" of warships be created which would come under general military command [obshchevoyskovoye komandovaniye].

Both ideas are backed by high-ranking people, and there are reports that a real battle has flared up. Pavel Grachev took a group of military and naval top brass with him to investigate the situation on the spot.

Will We Be Posing a Threat From Here? No—Defending Ourselves

In Kaliningrad the defense minister listened to the command of the Baltic Fleet and visited a number of military installations, troop units, and ships, many of which were put on alert during his work in the oblast and put to sea or took to the field.

Summing up the results of the trip, Pavel Grachev gave a cautious response to the direct question of whether the Baltic Fleet is to exist or not: "The Baltic Fleet will evidently remain as it was." Clearly, a definitive decision will be made once the results of the work of the numerous representatives of the Defense Ministry central apparatus and the commanders in chief of the branches of the Armed Forces who visited Kaliningrad Oblast with the defense minister have been summarized. However, Grachev assured the men of the Baltic Fleet that he personally is in favor of keeping a fleet in the Baltic.

The minister said that the main purpose of the visit was to study the decision to create a Kaliningrad Oblast Special Defense Area [KOOR]. This territorial operational formation is to comprise large groupings of ground forces, military aviation, air defense forces, and part of the forces of the Baltic Fleet. The Kaliningrad Special Defense Area will interact with the border troops and, possibly, with units of the Russian Ministry of Internal Affairs [MVD] internal troops, which Pavel Grachev intends to discuss with [MVD Minister] Viktor Yerin in Moscow in the near future.

The plan is to place the Kaliningrad Special Defense Area under the jurisdiction of the defense minster and the General Staff. The grouping will be under the command of a single commanding officer. If he is a naval commander, his deputies will be general military personnel. And vice versa. The special defense area's main tasks are to defend the littoral and the airspace.

All categories of support for the Kaliningrad Special Defense Area will be organized at central level. That is difficult right now owing to the isolated position of Russia's most westerly oblast. Following his talks with the Kaliningrad Oblast Administration Pavel Grachev intends to confront the Russian authorities with the question of creating a St. Petersburg-Baltiysk "sea run". It is envisaged that a transshipment base will be set up in Leningrad Oblast from which military freight and combat hardware will be shipped to the Kaliningrad Special Defense Area by amphibious warfare ships or seagoing ferries. That is a costly business, but transit through Lithuania is now several times more costly. Like cable communications lines too. The laying of underwater lines is now being completed, and it is also planned to provide the Kaliningrad Special Defense Area with additional space communications systems.

Minister Gunning for Every Penny

During his final news conference in the Baltiysk Garrison Officers' Club the defense minister devoted half an hour instead of the promised 10 minutes to journalists and film crews. Warming to his theme, Pavel Grachev spoke about...

...his daily routine: "I spend half my working time thinking about where to get money for the army and navy—I search it out, or I 'extort' it."

...Armed Forces manning: "The fall draft went OK. I hope the spring draft will also provide us with enlisted men and seamen. I think that by the end of 1994 we will be able to man the main Armed Forces categories some 85-90 percent. And secondary categories 60-65 percent. That is quite acceptable given the realities we face. Throughout the world, 20-30 percent of citizens are exempt from the draft. Legislators in our country have 'gone over the toip': 70 percent of citizens are exempt from service, while 30-40 percent of those who are drafted are sick."

...contract service: "There are already 120,000 contract personnel. The president has authorized another 150,000 to be recruited in 1994."

...the "breakup" of the Air Defense Forces: "There have been reports in the press that the Air Defense Forces are being halved. Not at all. We are to some extent 'contracting' the troops, removing obsolete systems. All the same, we cannot cover all the targets in the country, we will select the most important. Special attention now is to be focused on electronic reconnaissance systems and reinforcing the Air Defense Forces' fighter aviation. There will be good intelligence, making it possible to enlist the Air Force and antimissile defense forces and systems to defend the airspace."

Northern Fleet Secretary on Pomor-94 Exercise

LD1803210994 Moscow INTERFAX in English 1718 GMT 18 Mar 94

[Text] The Secretary of the Northern Fleet's Military Council Yuriy Polozkov confirmed that the Pomor-94 naval exercises did in fact aim primarily to insure the coordination of moves in the preparation of a multinational naval task force for the imposition of a naval blockade at "hot spots" around the world.

Polozkov was interviewed by Interfax following a REUTERS report on the exercises. REUTERS quoted the Chief of the Russian Navy's Press Center, Aleksandr Veledeyev, as doubting whether the exercises aimed to insure coordinated performance by the Russian and Western navies.

Norwegian, U.S., British, German, and Russian warships are to take part in the Pomor-94 exercises in the Sea of Norway on March 21.

The First Deputy Commander of the Russian Navy, Admiral Igor Kasatonov, has told Interfax the Pomor-94 exercises are part of a series of moves to enhance coordination between the Russian and NATO fleets. Admiral Kasatonov will be monitoring the exercises on behalf of Russia.

Power Supply to Air Defense Command Threatened

PM2103151794 Moscow SOVETSKAYA ROSSIYA in Russian 19 Mar 94 p 4

[Unattributed report: "Women Block Flights"]

[Text] Something extraordinary has occurred in the Air Defense Troops' air regiment on the island of Sakhalin. Wives of officers and ensigns went onto the runway and started blocking flights. The cause of this was a chronic lack of money—the regiment's servicemen have not been paid since January.

Colonel Semen Romanenko, deputy chief of the Air Defense Troops Financial and Economic Directorate, told an ITAR-TASS correspondent that money has today been transferred to the Far Eastern servicemen for a specific purpose. In his opinion, however, the question of money to pay servicemen and to finance the Air Defense Troops has not been resolved as a whole. Special concern is aroused by the debt of 18 billion rubles [R] in respect of Moscow Regional Power Administration accounts. This organization is warning of the possible disconnection of the Central Command Post and other important installations which ensure Russia's national security.

Col. Romanenko blames the disastrous situation with regard to funding the Air Defense Troops' Far Eastern units on a shortfall of R2 billion compared with the planned provision. The ITAR-TASS correspondent managed to ascertain from the Russian Federation Ministry of Defense that not only the families of Sakhalin servicemen are suffering from a lack of money. In February one-fourth of Russia's servicemen did not receive their pay, and there will be still more in March.

Chapayevsk Chemical Weapons Factory Mothballed

LD2003213494 Moscow Russian Television Network in Russian 2020 GMT 20 Mar 94

[Video report by correspondent Zhdanova; from the "Vesti" newscast]

[Text] Chapayevsk chemical weapons destruction factory is still a very secret enterprise with restricted access, though it has not worked a single day in five years since the moment it was built. It was constructed using unique Russian technology, and is the only one of its kind, not only in Russia, but, experts concede, in the whole world, in terms of the level of technological safety and of the efficiency of rendering the chemical charges harmless, the so-called discharge process [rassnaryazheniye]. The military unit on whose books this factory is today is forced to find substantial resources for the maintenance of the mothballed works, though a decision was made back in 1989 to set up a training center here that would use neutral media.

Administration heads of seven Russian regions where all chemical weapons of the former USSR are now stored recently visited the installation: Everybody seems to have woken up to the fact that it is more dangerous to store than to destroy them. Therefore, technologies for chemical disarmament should be moved closer to places of storage: A state program of financing, and, more importantly, an open discussion in the mass media over location of chemical disarmament enterprises are needed to achieve this. Otherwise, things will happen as they did in Chapayevsk—the installation was built in secret, with immense resources, but it is not working.

New Generation Nuclear Power Plant Developed

LD2103183894 Moscow ITAR-TASS in English 1612 GMT 21 Mar 94

[By ITAR-TASS correspondent Nikolay Krupenik]

[Text] St. Petersburg March 21 TASS—Russian Navy designers have offered a new power technology converting nuclear submarine power plants for peaceful use.

The St. Petersburg-based design bureau "Malakhit" which previously designed power plants for nuclear submarines has developed a new underground nuclear power plant which can generate 220 megawatt of electricity and work for 50 years. The generator will be assembled in an underground tunnel dug in the rock at a depth of 100 meters.

The use of module-type generators and liquid-metal coolant make these power plants especially safe and convenient as they are secured against radioactive leaks and can produce as much electricity as needed.

New Launch Pads, Silos in Amur Region

LD2103185894 Moscow INTERFAX in English 1719 GMT 21 Mar 94

[Text] Russia plans to set up new launch pads and silos for new generation missiles in the Far Eastern town of Svobodny (Amur region) between 1996 and 2000, a spokesman for the country's military space forces (MSF) told Interfax.

MSF which is responsible for space communications and satellite intelligence gathering plans a rebuilding of the first of the 60 silos left after the destruction of SS-11 ICBMs for launches of a new generation booster developed on the basis of an SS-19 missile by 1996. As many as five such silos will be rebuilt, said the spokesman.

Russia's SS-19 two-stage missiles with a payload of 105.6 tons each are to be destroyed by the year 2003 as envisaged by the START-2 agreement between Moscow and Washington.

It is also known that MSF plans an environmentally safe general purpose launch pad for a new generation heavy duty Angara-24 missile.

An MSF official said that since the new booster "can be transformed depending on a payload and altitude", the new launch pad would operate on the principle of "a changeable circus arena".

The new booster is to undergo trial tests during 1998-1999 before being fired into outer space a year or two later.

Cargo Spaceship Launched To Service Mir Station

LD2203125194 Moscow INTERFAX in English 1138 GMT 22 Mar 94

[Text] At 7:54, Moscow time, on Tuesday, a cargo spaceship, to be known as Progress-M-22, was launched in line with the Russian program of servicing the manned space station Mir. Since January 8 Viktor Afanasiyev, Yuriy Usachev and Valeriy Polyakov have been working as its 14th crew aboard the Mir.

The press service of the Russian Space Force has told Interfax that all the systems aboard the Progress are functioning as they should. The Space Force was responsoble for the preparation and launching of Progress-M-22.

A Force spokesman said the cargo ship is to deliver to the station additional research equipment, food, oxygen, drinking water, medical equipment, fuel and an oxidizer for Mir's engine. The Progress' payload amounts to 2.3 tons.

Federal Assembly

Abdulatipov Urges Forum To Agree National Priorities

PM2103141994 Moscow ROSSIYSKIYE VESTI in Russian 19 Mar 94 p 1

[Article by Ramazan Abdulatipov, deputy chairman of the Russian Federation Federal Assembly Federation Council: "Accord Has To Be the Expression of the Will of Specific Social Forces"]

[Text] The attempts to sign some kind of document on social accord here, in Moscow, will at best mean reconciliation among the branches of power. There have already been such attempts, and they came to nothing. As someone who has studied sociology, I consider that an accord, if it is possible, has to be the expression of the will of the specific social, political, and national forces which exist in society. Otherwise you can sign documents, you can even get on friendly terms with one another, but it won't bring accord because society itself will be endlessly upset by conflict. A mechanism therefore has to be found whereby this will may be expressed and formalized. I would think we need to three to five statewide priorities around which everyone could and must be united. Outside of those priorities, you may argue and counter each other all you like, but these three to five positions designed to preserve the state, implement reforms, and avoid local or large-scale civil clashes must be acknowledged by everyone.

Eveyone talks about accord today, but the word is given different meanings. And everyone wants his understanding of it to be adopted. Therefore what is actually often involved here is not the securing of accord but a struggle to secure one's own position. We need to stop fighting for our own position and try to find expression for **the will of the people** to that accord. I think that the president's Message, where there is an attempt to give priority to strengthening the Russian state system, could be a basis for this. The government program could be a basis. And the memorandum adopted by the State Duma and the Federation Council appeal likewise.

I have proposed before and do so now that there be convened an assembly of the peoples and citizens of Russia of which well-known figures from politics and culture, deputies, representatives of national movements, representatives of the regions, trade unions, and so forth will be members. And a memorandum, a charter of national accord, which will define priorities enabling civil peace to be maintained in the country could be adopted as the basis of all the documents I have cited.

Premier Delivers 'Cautious' Senate Speech on Debt

PM2203120794 Moscow ROSSIYSKAYA GAZETA in Russian 22 Mar 94 First Edition p 1

[Yelena Tokareva report under the "At the Federation Council" rubric: "Prime Minister Suggests Patience and Hard Work"]

[Text] The head of the Russian Government demonstrated a serious approach to the most obvious problem in our general economic crisis—the comprehensive nonpayment of bills. He specially delivered a cautious and well-considered report to Federation Council senators on the government's measures to combat this scourge.

But the government has no intention of reverting to the purely administrative measures that we all still remember in terms of mass monetary "amnesties." On the contrary, Chernomyrdin promised to begin the procedure of enterprise bankruptcies by introducing property liability for nonpayments. The means of formalizing nonpayments has finally been announced, namely the introduction of bills of exchange. The Tveruniversalbank has already advertised its system for the introduction of bills of exchange and won the premier's good opinion for its initiative. The Tveruniversalbank intends to solve the crisis of nonpayments by issuing its own bills of exchange. The stock market will then be filled with new securities—"outstanding" bills of exchange issued by various banks. In that case, a process of secondary privatization will probably take place. In the summer privatization enters the stage of finding the "real owner." After buying up outstanding bills of exchange in the floated enterprises the new owners will seek out investors.

Provided that everything goes according to the premier's plan, we will enter a new stage of upheaval and discovery. Commercial banks are to play a major role here.

The premier said that he does not believe the state to be bankrupt and substantiated certain top-priority steps to strengthen the revenue side of the budget. First, the state monopoly on the production and sale of vodka will be revived in the near future. Apparently despite his commitment to market means of overcoming the crisis, the premier heeded the calls from the recent conference of vodka manufacturers. They were vociferous in their amazement that the state has opened the doors to illegal imports of narcotics and forgotten that vodka has always served true state values.

As for tough state measures, Chernomyrdin promised to investigate the practice whereby enterprises and organizations open about a dozen accounts and sit on budget money. One enterprise should have one account, the premier said menacingly.

The government will settle its debts, he said. By the end of March 4.6 trillion rubles [R] of the total arrears of R7.5 trillion will have been paid. The state will pay some of its debts by exempting various enterprises and sectors from tax.

Interestingly, the premier's audience was not unanimous this time either. Senators with strong ties to manufacturers in their territories proposed alternative means of solving the crisis. Tsvetkov, leader of the Association of Manufacturers, criticized the premier's promise to tighten up tax policy. "You say that you are going to tighten it up, but whom are you going to tax when enterprises are standing idle?" Interdepartmental offsetting of state enterprise debts was then proposed. Incidentally, some economic experts think that is what will ultimately happen.

Nikolay Gonchar said that the country obviously does not have enough of a free money supply. Japan and the United States have far more money than Russia. He disagreed with the premier's idea that the state is not bankrupt, unlike enterprises whose output no one wants. "A state is not bankrupt when it can pay its debts. Money should not be spent on wages. But used to solve the crisis of nonpayment. What is needed is tight control over where the money is going. But first there must be money."

'Major Forces' in Duma 'Skeptical' of NATO Partnership

PM1803171494 Moscow KRASNAYA ZVEZDA in Russian 18 Mar 94 p 3

[Vladimir Yermolin report: " 'Partnership for Peace': The Duma Doubts: Is It Really Partnership?"]

[Text] The State Duma has held hearings on the question of Russia's affiliation (or nonaffiliation) to the "Partnership for Peace" program. The hearings were conducted on the initiative of the parliamentary Defense Committee under the chairmanship of Sergey Yushenkov.

The position of the Foreign Ministry and the Defense Ministry was unambiguous: Joining in the "Partnership for Peace" program is in the interests of Russia and its security. For example, Major General Pavel Zolotarev, representative of the Russian Federation Defense Ministry, stressed that this option will lead "from political containment by means of deterrence to political containment by means of cooperation." The advantages are obvious: It will enable Russia to demonstrate to the whole world its political will for the active building of collective security, the anti-Russian forces seeking to isolate our country in the international arena will be neutralized, effective mechanisms for the containment of troops will be created, a single approach to the assessment of a threat to Russia's security will be elaborated, full strategic partnership will be established, the system of joint peacemaking operations will become more effective, cooperation in the field of combatting nuclear terrorism and industrial catastrophes can be rehearsed, and so forth.

In any event, as the representatives of the Foreign Ministry and Defense Ministry stressed, "to disregard" the "Partnership for Peace" program would mean for Russia quite simply a disastrous self-isolation from the processes of the pan-European search for collective security. If we ignore the NATO countries' initiative the result may be that our country will eventually find itself isolated.

Vladimir Lukin, chairman of the Duma International Relations Committee, and Konstantin Zatulin, chairman of the Committee on CIS Affairs, expressed a critical view of the idea of Russia's participation in the "partnership." They expressed the fear that "one side may be able to impose its diktat" given the conditions proposed by NATO. In Lukin's opinion, involvement in the "partnership" would wreck "our strategic intentions to create security structures within the CIS framework."

The overall course of the hearings showed that there are major forces in the State Duma who are skeptical of Russia's involvement in the "Partnership for Peace" program.

Draft Resolution To Clarify Amnesty Bill Application

LD2103163494 Moscow ITAR-TASS in English 1551 GMT 21 Mar 94

[By ITAR-TASS parliamentary correspondent Ivan Novikov]

[Text] Moscow March 21 TASS—Not a single provision in the State Duma resolution on amnesty will be reversed or reconsidered, Duma Deputy Chairman Valentin Kovalyov said.

Kovalyov said that a working group has prepared a draft resolution on the application of the amnesty resolution. He did not rule out the possibility that the draft may be submitted to the Duma on Friday.

"The idea of the document is to specify the provisions which may be interpreted in different ways. Particularly, the draft stipulates that the amnesty resolution shall not stop legal proceedings instituted against those who committed criminal offences during the August 1991, May 1993 and October 1993 events which were not directly connected with these events," Kovalyov said.

In accordance with this provision, marauders who plundered the parliament building during the October revolt in Moscow or thieves will not be amnestied. "Only those are subject to amnesty whose actions were in the cause-effect relation with the political events in August, May and October," Kovalyov explained.

He noted that the draft resolution is the result of agreement between all participants in the work on it, including deputies, representatives of the public prosecutor's office, the ministries of justice and foreign affairs and presidential representatives.

New Group in Duma To Draft Civic Peace Document

PM1803143394 Moscow ROSSIYSKIYE VESTI in Russian 18 Mar 94 p 1

[Unattributed report under the general headline "The Search for Accord in Russian Society Today Is Being Really Threatened by Political Ambitions, Mutual Distrust, and 'Double' Morals" and under the "In the Parliament" rubric: "Members of Factions See Document in Various Ways"]

[Excerpt] A working group of parliamentarians is being formed in the State Duma, which is to prepare a draft Agreement on Civic Peace and Accord. Alevtina Fedulova, deputy chairman of the chamber, has been instructed to head it.

"We are only just beginning this work, and the actual deputies' group is still at the formation stage," Alevtina Fedulova reported. She noted that the deputies' group for elaborating the draft will include representatives of all the parliamentary factions, who have to take upon themselves the task of elaborating various aspects of this document. Alevtina Fedulova stressed that the deputies will work in the closest contact with the working group, set up by Boris Yeltsin, for the preparation of the Agreement on Civic Peace and Accord under the leadership of Boris Topornin, chairman of the Russian presidential Public Chamber. [passage omitted]

Duma Postpones Procedure Approval, Rejects LDP Amendment

LD1803181494 Moscow ITAR-TASS in English 1742 GMT 18 Mar 94

[By ITAR-TASS correspondent Pavel Kuznetsov]

[Text] Moscow March 18 TASS—The Russian parliament's lower house, the State Duma, again postponed the approval of its working procedure until a later date. Speaker Ivan Rybkin told lawmakers the committee for organization of the Duma's activities discovered during the lunch-break that many of the amendments moved by people's deputies before discussing the working procedure in the second reading were not taken into account.

Meanwhile, the first half of today's plenary meeting of the State Duma was focused on this issue. Ultranationalist leader Vladimir Zhirinovskiy of Russia's Liberal Democratic Party [LDP] made another attempt to talk lawmakers into approving the amendment moved by his party about the so-called "imperative mandate". Under this amendment, a deputy quitting a parliamentary faction is to be stripped of his credentials and replaced by the next member on the party list. To push this amendment through parliament, Zhirinovskiy promised to the deputies' groups "December 12 Union" and "Russian Path", which were denied registration because of insufficient numerical strength, that the Liberal Democratic faction would vote for an amendment reducing the number of deputies required for registration. The Liberal Democrat leader suggested that the two amendments be voted as a "package", but lawmakers rejected the suggestion.

Duma Committee Debates Quarterly Budget Breakdown

MK2203101094 Moscow NEZAVISIMAYA GAZETA in Russian 22 Mar 94 p 2

[Rodion Ivanov report under the "Parliament" rubric: "How Much Money To Give to the Government? Duma Committee for Budget, Finance, Banks, and Credits Debated Wisdom of Presenting Quarterly Budgets"]

[Text] An incomplete draft 1994 budget message came to the State Duma on the evening of 19 March with its classified part coming to the chamber yesterday morning. Yesterday, the Duma budget committee looked at the government's request to provide it with 10.6 million rubles [R] toward financing state outlays in April and May 1994. The cabinet had sent in a draft law where the government authorized the release of the given sum proceeding from the draft budget for this year, taking account of the current situation in the financial sphere and the receipt of money by the state treasury and the Central Bank cash department. The committee at first ruled that financing should be kept open throughout the first quarter, while the sum to be released should be further discussed with the Finance Ministry. Besides, out of the basis, only proportions of the 1994 budget remained. The committee then passed an amendment proposed by its deputy chairman Aleksandr Pochinok to the effect that the law should regulate the allocation of money throughout the first half- year. In this manner members of the committee decided to eliminate inconsistencies in the proportions of financing: most of the money spent in the first quarter had been earmarked by the government for defense and the law enforcement organs rather than on social spending. Incidentally, R7.5 trillion known to have been earmarked under the president's edict for the first three months of 1994 was spent approximately early in March.

Inconsistencies in financing proportions compelled members of the budget committee to make a decision on whether the government should submit to the Duma, in addition to the annual budget, its quarter- by-quarter breakdown. This was sharply opposed by committee deputy chairman Gennadiy Kulik, who stated that this would cause a quarrel between the Duma and the government. Aleksandr Pochinok supported his colleague, saying that the Duma would in fact return the annual budget without discussing it if it sets the given condition: a mandatory quarter-by-quarter presentation.

General Seeks State Border International Agreements

LD2203125894 Moscow INTERFAX in English 1138 GMT 22 Mar 94

[Text] Major General Aleksandr Shcherbakov, deputy commander of the Russian Border Guards, called for signing international agreements on the Russian state border.

He told the State Duma Tuesday that the country's maritime frontiers with the U.S. or Japan had not been defined and that five out of 110 Russian Border Guard districts were outside the Russian Federation.

Parliamentary hearings on the status of the Russian border are underway in the State Duma Geopolitics Committee chaired by retired general Viktor Ustinov, Liberal Democrat.

Shcherbakov thought that a comprehensive federal program was needed for development of border areas and that work on the doctrine for guarding the Russian Federation's border in the Central Asian region had to be continued.

Shcherbakov said that over 3500 border infiltrators had been detained in 1993. Contraband worth 3.5 Bn rubles, over 700 guns and 4200 kg of narcotic drugs were found on them. Over 700 people were killed when they tried to cross the Tajik-Afghan border illegally.

He called for repeal of voluntary service in trouble spots and of numerous deferments of military service because the armed forces, he said, were manned with ill-educated people. He also called for making 19 the drafting age.

The draft resolution of the hearings tells the committee to table a State Duma draft of amendments to the State Border Act adopted by the former Supreme Soviet on April 1, 1993. The draft also calls for "speedier submission to the State Duma of bills on the Russian Federation's exclusive economic zone, continental shelf and legislation on their protection."

Regional Affairs

ITAR-TASS Reports Minimal Elections Turnout

LD2003204894 Moscow ITAR-TASS in English 1927 GMT 20 Mar 94

[Text] Arkhangelsk—Elections to the Arkhangelsk city assembly held in eight constituencies failed, ITAR-TASS learned from the city electoral commission two hours before polling stations officially closed. By 18:00 only 12 per cent of registered electors had turned up at polling stations.

"The elections have been simply foiled and 200 million roubles thrown away," said Sergey Larionov, head of the managing department of the city mayor's office and member of the Regional Electoral Commission. He blamed poor results of elections not on a low turnout, but rather on those who scheduled the elections and who turned out to be totally devoid of an ability to forecast the situation.

St. Petersburg - A little over 20 per cent of registered electors had turned up at polling stations of the Leningrad region. However, some constituencies and rural regions in particular, reported a good turnout which in some regions reached 28-30 per cent.

The St. Petersburg mayor Anatoliy Sobchak has ordered elections to the St. Petersburg city assembly to be extended until 22:00 p.m. Monday. The mayor issued this instruction at the request of representatives of electoral commissions concerned about a poor turnout in the polls, which might render the results of elections in St. Petersburg null and void.

Orel - A turnout of 36.3 per cent had been reported by 17:30 p.m. in the Orel region, exceeding the minimum 25 per level necessary to consider the polls to be valid.

Vologda - Chairman of the Regional Electoral Commission of the Vologda region, Sergey Pervushin, told ITAR-TASS that by 18:00 p.m. Sunday the minimum 25 per cent barrier had been overcome in all rural districts and two constituencies of the regional centre.

In the city of Cherepovets, only 17 per cent of registered electors took part in the polls and it is unlikely that the necessary 25 per cent turnout will be reached by the end of the polls, Pervushin said.

Commission's Preliminary Results

LD2103201194 Moscow ITAR-TASS World Service in Russian 1700 GMT 21 Mar 94

[By ITAR-TASS correspondent Lyudmila Yermakova]

[Text] Moscow, 21 Mar—An ITAR-TASS correspondent was informed at the Central Election Committee that according to preliminary results elections to bodies of representative power that were held on Sunday are considered valid in 13 of the 17 parts of the Russian Federation.

Viktor Klimov, head of the organization and methods department, explained that over two-thirds of the deputy corps of the legislative assemblies—or oblast dumas as the new bodies of representative power in the regions are mostly called—had been elected in these regions. That is just the number of deputies necessary for the body to be considered capable, for it to convene and start working. The rest of its members in the regions will be elected in repeated elections, the dates for which will be set locally. Viktor Klimov said "the elections had given 100 per cent results" only in three parts of the federation—the Aginsk, Buryat, and Komi-Permyak autonomous okrugs. In each of the three parts, deputies had been elected from all 15 okrugs and their representative bodies were at full strength.

In three parts of the federation the elections have been deemed invalid. In St.Petersburg they have been prolonged to today by the decision of the mayor.

Prosecutor Protests Petersburg Extension

LD2103204394 Moscow ITAR-TASS in English 1852 GMT 21 Mar 94

[By ITAR-TASS correspondent Irina Zolotaryova and Natalia Cherepanova]

[Text] St. Petersburg March 21 TASS—St. Petersburg's public prosecutor filed a protest against city mayor Anatoliy Sobchak's decision to extend the voting in the city council elections for another 24 hours.

The duration of the voting is determined by Article 33 of the regulations on elections to the legislative bodies of power in regions, territories, cities with federal status, autonomous regions and autonomous territories approved by a presidential decree of October 27, 1993. The mayor has no right to change the duration of voting, a statement issued by the public prosecutor said.

Ten out of 16 registered electoral associations adopted a joint declaration on Monday denouncing Sobchak's decision as a "wrong move" and suggesting holding new elections on April 17 with the same list of candidates. A Russian central Electoral Commission official said earlier today that Sobchak's decision is a "case which requires juridical examination."

Yuriy Orlov, head of the legal department of the Central Electoral Commission, said that there is no direct ban on such extension in the standing legislation. But this is the first such case and it "creates a precedent" which must be studied by the Central Electoral Commission.

Under the Russian Constitution, St. Petersburg is a subject of the federation that has the right to establish its own voting procedures and rules which, however, should not run counter to the regulations approved by the president, Orlov explained.

He said that his department is now working out a draft law on basic franchise guarantees in the Russian Federation. It will include proposals made by regional electoral commissions, political parties and associations aimed at improving the electoral law. In it "we will try to provide for such cases and other unexpected situations which may arise during the election campaign," Orlov said.

Assassination Attempt Against Ingush Justice Minister

LD2203115194 Moscow Radio Rossii Network in Russian 1000 GMT 22 Mar 94

[Text] It was learned today that an attempt was made on the life of the Ingush Republic's justice minister at 2000 on Monday. His car, in which the deputy minister was also a passenger, was shot at from a passing motor vehicle in the settlement of Nizhniye Achaluki. Neither the minister nor his deputy were wounded but the driver was wounded and died in the hospital. An investigative group of the Russian Interior Ministry has started work at the scene of the incident.

Yeltsin, Chernomyrdin meet Krasnodar Kray Officials

LD2203114494 Moscow Russian Television Network in Russian 1100 GMT 22 Mar 94

[From the "Vesti" newscast]

[Text] Russian Federation President Boris Yeltsin and Prime Minister Viktor Chernomyrdin have held a meeting in Sochi with Nikolay Yegorov, the head of administration of Krasnodar Kray, and Sochi Mayor Nikolay Karpov. It was decided to set up a working group to draw up a treaty between the federal agencies of state power and the bodies running the kray concerning demarcation of functions in line with the Constitution of the Russian Federation and the Federation Treaty, taking account of the particular features of Krasnodar Kray. The Russian Federation's Security Council has been instructed to prepare a package of questions on Krasnodar Kray for consideration at one of its upcoming sessions.

Moscow Mayor on Food, Public Order Problems

PM2103171594 Moscow KOMSOMOLSKAYA PRAVDA in Russian 19 Mar 94 p 3

[Interview with Mayor of Moscow Yuriy Luzhkov by Valeriy Simonov: "Spring and the Muscovites"]

[Text] Moscow Mayor Yuriy Luzhkov gives the impression of a man who has had a great weight lifted from his shoulders. This is understandable: Some 24 hours before our conversation the mayor had had a beautiful daughter, weighing in at 4,400 grams. So even Moscow Spartak's crushing defeat in Barcelona (Luzhkov did not watch the match, of course) did not have a significant effect on his mood, as is evident from the photograph [photo shows him grinning broadly]. Our conversation, alas, focused on matters far more prosaic.

[Simonov] Yuriy Mikhaylovich, Muscovites are greeting spring not only with joy, but with a degree of apprehension: They all remember May Day last year, the battle in Leninskiy Prospekt, and the Moscow militia's sense of total impotence. Have lessons been learned from this?

[Luzhkov] It is primarily those who organized the riots in Moscow who should learn the lessons. The lesson is simple: Extremism no longer works, you will not achieve any objectives using it. I hope that after the spring clashes last year and after the October tragedy, the majority of political movements and structures intend act entirely in accordance with the law, because no one benefits from blood on the streets. If you want power, act, but by parliamentary means. Gain people's favor, win the elections, and form organs of power. But society will not allow you to implement your slogans through attacks, through threats, and through bloodshed.

Of course, rallies and marches are unavoidable in our turbulent times—but they can and must be carried out in the capital strictly in accordance wuith the rules laid down by city hall and the government. We are not against people expressing their will normally—peacefully! I would point out, incidentally, that disputes arose when city hall lifted its ban on demonstrations following the court ruling. But the leaders of the masses must show the same respect for the law.

[Simonov] But these are all political conclusions. What about practical ones?

[Luzhkov] What I will say is that we are making very serious preparations for possible trouble. The police are equipped. The law-enforcement organs have been instructed to stop any activity that poses a threat to Muscovites' safety and peace.

As for last year's confusion... There was confusion. We were unprepared for the fact that the nature of the demonstrations changed completely. Basically, what we faced on 1 May was organized thuggery. We are prepared this time.

[Simonov] Yuriy Mikhaylovich, what is the situation on the other front—the food front? Some analysts are predicting empty shelves by the spring, linking this to the introduction of the new customs duties.

[Luzhkov] There will be no empty shelves—I can assure you of that. We will not allow any breakdown in food supply, it will remain stable.

As for prices, I do not understand and do not accept the government's decision on new duties on foodstuffs. We have already been through that: We imposed excessive duties on imported cars—and prices of "Zhiguli," "Moskvich," and other cars immediately soared. The same would happen to food. The struggle here at the moment is not for increased production volumes, not for economic work by enterprises—what they are trying to do is ensure production viability solely by increasing prices. But this is a dead-end street! This measure will help for a—short—while, and then it falls apart. Look: There is a surplus of cars on the market at the moment. The plants, having jacked up their prices, are failing to resolve their problems because they are unable to sell their cars. People cannot buy cars at that price, cannot invest their money. This is a double damper on an already barely warm economy.

But the food situation is even more serious. This decision hits the big cities first and foremost, and northern areas—those that do not have their own agricultural base. Take Moscow. A large proportion of our food is imported. Some 50 percent of our traditional meat and dairy products are actually produced abroad. You do not have to consult a fortune-teller to be able to predict that home agricultural producers are going to raise their prices now—and again there is no competition. Will this breathe life into our agriculture? Obviously it will not, since it is the same old production forces and production relations in the countryside. On the other hand, the purchasesing power of the cities, particularly big cities, is falling. For example, we can already see how much less Muscovites are eating.

[Simonov] And how much is it?

[Luzhkov] Well, nearly 50 percent less vegetables, for instance. At this time of year daily sales in Moscow are traditionally more than 5,000 tonnes. Now it is 3,000-3,200. Yet people's personal stocks of potatoes and carrots are now exhausted.

The meat situation is as follows: Not long ago 4,000-4,300 tonnes would go in a day; it is half that amount today. On the other hand, bread consumption has increased considerably.

Therefore, I regard the increase in customs duties on imported food as an unfair, unfriendly step against Moscow, St. Petersburg, Yekaterinburg (Editorial note: As we know, the three mayors of the aforementioned cities put together an appeal to the Russian president condemning the government's step), and the North. I can see this policy having most appalling consequences for Muscovites.

Let us take a closer look at this decree: What I wonder is who is it working for if it envisages that there will be no duty on food coming into Russia from the particularly underdeveloped countries, the underdeveloped countries will get duty reductions, while the industrial states will get the full works. Where do Russia's interests come into it? Is the idea to make Russians' food worse and more dangerous? It is crass politicking and stupidity again! So we are supposed to give up guaranteed high-quality food and support underdeveloped countries' economies instead. Very Soviet.

[Simonov] It is a very banal question, but there is no getting away from it. I am talking about Moscow's highways. It appeared they could not get any worse, then the snow melted, revealing an absolute nightmare.

[Luzhkov] Yes indeed, in the winter I banned highway repair, because we were sinking money in mud. The repairs will begin in April, covering 20 million square meters. It could be more, the potential is there, but the money is not, and we have to face this fact. The Ring Road is a very difficult task, but we will deal with it this year. It has a bad reputation and has become extremely dangerous. There will be lighting and a median strip along the entire length of it.

[Simonov] Yuriy Mikhaylovich, what was the outcome (did it have an outcome?) of your dispute with Anatoliy Chubays over privatization methods?

[Luzhkov] The president instructed Chernomyrdin to sort out our differences. They are certainly fundamental. It is not me getting on my high horse and it is not some great-power policy on Moscow's part. I believe Chubays is not behaving properly in carrying out the president's direct instructions to enable privatization to take place in Moscow on our terms. It all boils down again to the methods of the State Committee for the Management of State Property. No account at all is taken of Moscow's mighty infrastructure, banking and exchange network, and technological caliber, and people's skills. I have said it before and I say it again: Without taking these facts into account Moscow will be sold short. I don't want to let this happen, I don't want my name to be linked to the major mistakes Chubays and his department are making on matters of privatization. These mistakes will have repercussions in the state.

[Simonov] What do you think of the fact that you are figuring more and more prominently in the political ratings. You are even being tipped as president...

[Luzhkoiv] I have absolutely no view concerning this talk and these articles. I follow Pushkin: "indifferent both to praise and slander." I love my work, but I know what I am capable of, and I know my limitations as well. My own sober assessment is that I do not think a mayor responsible for the Moscow economy can be elevated to such heights.

Anyway, I do not much like the talk about presidential elections. They are still two and one-half years away. What is the point of all the fuss about them today? All it does is undermine the executive power's authority in the state. If people are talking up the elections, apparently, it means that everything is unstable and temporary and the president's decisions and opinion need not be heeded.

But there is an interesting, instructive element in the latest ratings. The "managers," if you can call them that, are emerging in the leading roles. They are overtaking the pure politicians. This is a sign, if you like: Society increasingly needs people who know how to get things done, rather than people who talk a load of nonsense. This is a very important change. A person must be assessed in terms of what he has done, rather than what he has said, in terms of what he can do, rather than what he wants to do.

Look how leaders are trained in Japan. There a manager is obliged to climb the ladder. But a state is not some kind of office, it is a very intricate system. And that our Russia certainly is.

'Steppe Code' To Replace Kalmyk Constitution

PM2203102794 Moscow SELSKAYA ZHIZN in Russian 22 Mar 94 p 1

[Report from roundup of ITAR-TASS reports: "Steppe Code Instead of Constitution?"]

[Text] The Kalmykia parliament has decided to replace the constitution with a new fundamental law for the republic. At its extraordinary session it examined normative documents for the adoption of the so-called Steppe Code instead of the constitution in operation at present. The mechanism for reworking the republic's legislative basis was approved by 25 parliamentarians who have thus decided the fate of the entire people living on the territory of Kalmykia.

Less than two weeks have been assigned for a discussion of the Steppe Code. After it has been adopted, if it is adopted, the republic's supreme legislative organ will be the people's khural, which Kalmyk President Kirsan Ilyumzhinov could dissolve at any moment, considering that it is failing to ensure stability in society.

Maritime Territory Governor on Wastes; Grain Imports

LD2103133394 Moscow INTERFAX in English 1143 GMT 21 Mar 94

[Text] The administration of the Maritime Territory prefers the use of Japanese technologies in processing radioactive wastes, Yevgeniy Nazdratenko, governor of the Maritime Territory has told reporters. He said that a national installation would require 1Bn 270 Mn rubles, while Japan is prepared to grant know-how free.

Nazdratenko said that the Maritime Territory would be forced to agree to continue purchasing grain abroad. He explained the decision by the fact that now one ton of the national grain costs 270,000 rubles, but with the addition of transport costs, it will cost 400,000 rubles. One ton of grain imported from Canada costs 100,000 rubles.(end)

Khabarovsk Administration 'Emergency' Farm Aid Steps

PM2203113394 Moscow PRAVDA in Russian 22 Mar 94 p 1

[From "In Brief" roundup of ITAR-TASS/EAN reports]

[Text] The Khabarovsk Kray Administration has adopted emergency measures to complete preparations for the spring field work. The local authorities have found an opportunity to allocate fuels and lubricants and spare parts for agricultural machinery to sovkhozes and associations of peasant farms without payment up front. Credits have been offered to farms for the purchase of seeds and fertilizers which are in short supply.

International Affairs

Results of Perry Visit Summarized

LD2103190394 Moscow ITAR-TASS in English 1811 GMT 21 Mar 94

[By ITAR-TASS special correspondent Aleksey Agureyev, UKRINFORM correspondent Aleksey Petrunya]

[Text] Kiev March 21 TASS—Beginning May 30, 1994 Ukraine will no longer be a target for American strategic missiles, according to the agreements signed by the United States, Russia and Britain, ITAR-TASS and UKRINFORM learnt from well informed sources.

The sources said that this topic was discussed at the meeting between Ukrainian President Leonid Kravchuk and visiting U.S. Secretary of Defence William Perry which was held behind the closed doors. The major leitmotif of the talks was the implementation of the U.S.-Russian-Ukrainian agreement signed in Moscow in January 1994, as well as the agreements reached during the recent U.S.-Ukrainian summit meeting in Washington. They call for Ukraine's "denucliarisation" and providing it with compensations and security guarantees.

The second most important issue is cooperation between Ukraine and the United States within the programmes of economic cooperation and defence conversion. The U.S. will provide financial assistance to Ukraine to finance the conversion of its defence industry and build housing for the demobilised military.

Kravchuk stressed that Ukraine is unswervingly observing its obligations under the three-party agreement—it has sent the second train full of nuclear warheads to Russia.

Perry stressed that relations between Ukraine and the United States are strategically important. He and Ukrainian Defence Minister Vitaliy Radetskyy who also attended the talks signed an agreement under which Ukraine will be granted 50 million dollars in addition to 135 million it is to receive under the Strategic Arms Reduction Treaty. The means will be used to finance the dismantlement of SS-24 missiles.

Radetskyy welcomed the U.S.-Russian-Ukrainian agreement as a "historic move and a way-out of the nuclear deadlock." "This step and the ratification by Ukraine of the START-1 Treaty and the Lisbon Protocol as a nuclear-free state virtually removes all juridical and other barriers for Ukraine's joining the Nuclear Non-Proliferation Treaty," he said.

At the same time, Radetskyy said that "the fulfillment of obligations assumed in nuclear disarmament is a costly process." He stressed the importance of U.S. assistance for carrying out disarmament and solving social problems facing the military.

"We have also reached full understanding on issues concerning the Partnership for Peace Programme. We understand that Ukraine's future aims at full accession to European structures," Radetskyy said.

The sides also discussed cooperation in space exploration. The talks were attended by U.S. Ambassador to Ukraine William Miller.

Radetskyy: U.S. Assistance Broke 'Nuclear Deadlock'

LD2103152994 Moscow INTERFAX in English 1436 GMT 21 Mar 94

[Text] Ukrainian Defense Minister Vitaliy Radetskyy and U.S. Defense Secretary William Perry signed the agreement in Kiev on Monday on additional aid to Ukraine for scrapping nuclear missiles.

Perry told reporters that the U.S. would give Ukraine an additional $50 Mn to dismantle nuclear missiles. Last December, the U.S. extended to Ukraine $135 Mn for this purpose.

Perry said that American-Ukrainian cooperation was of great strategic significance and that interaction between the two countries' military agencies was important too. He also announced that an agreement had been reached in Kiev on frequent and close contacts between the Ukrainian and American general staffs.

Radetskyy said that with U.S. assistance Ukraine had got out of the nuclear deadlock and signed the Moscow tripartite statement, which was an event of historic significance. He also pointed out that now nothing hampered Ukraine's joining the nonproliferation treaty.

According to Interfax-Ukraine, during Perry's visit to Ukraine a number of documents will be signed on the granting of about $100 Mn to Ukraine.

Shmarov Says Russia Not Fulfilling Nuclear Accords

LD2103202994 Moscow ITAR-TASS in English 1956 GMT 21 Mar 94

[By ITAR-TASS correspondents Aleksey Agureyev and UKRINFORM correspondent Sergey Balykov]

[Text] Kiev March 21 TASS—Ukrainian Deputy Prime Minister Valeriy Shmarov accused Russia on Monday of failing to follow trilateral accords reached at a Moscow summit, and threatened his country might suspend fulfilling obligations under the agreement signed by the presidents of Russia, Ukraine and the USA.

Under the agreement Ukraine was to receive nuclear fuel in exchange for giving up its nuclear warheads.

Whereas Ukraine is abiding by the accord "it cannot be said the same about Russia", Shmarov told a news conference after a meeting with U.S. Defence Secretary William Perry.

Ukraine has already dispatched two trainloads of warheads but "there is no adequate steps from Russia". Ukraine has got nothing in response so far, Shmarov stressed.

According to him, Russia has not supplied a single lot of nuclear fuel, complaining in turn that the USA was failing to abide by the accord under which it was to pay Russia 60 million dollars.

Shmarov said Russian leadership had promised to "straighten things out". But the political tension in Ukraine grows and it might, as a result, suspend fulfilling its obligations under the trilateral agreement, he said.

Supreme Council Candidate Wants Nuclear Arms Retained

LD2103133194 Stockholm Radio Sweden in Swedish 1130 GMT 21 Mar 94

[Text] Before the forthcoming parliamentary elections in Ukraine, several important parties there are demanding that, despite previous agreements, the country should retain some of its nuclear weapons. "The Echo" program correspondent Kjell Albin Abrahamson reports from Ukraine.

[Abrahamson] Today Yeltsin is governing Russia, but tomorrow Zhirinovskiy may come to power. Today President Clinton is supporting Ukraine, but we know nothing about the next U.S. president. This was said by Ukrainian General (Oleksandr Rul), who will stand as a candidate of the super-nationalist Congress of Ukrainian Nationalists in the parliamentary elections. He now sees nationalism and nuclear weapons as the best guarantee for an independent and sovereign Ukraine.

Most political parties here share that view, including the Republican Party—an offshoot of the dissident movement—and the Helsinki Committee for Human Rights, which want Ukraine to retain some of its nearly 1,800 nuclear warheads. General (Rul) points out: It is us, not you who are in the immediate frontline in the event of a Russian attack.

Estonian President, Kravchuk Holds Negotiations

AU2103125594 Kiev HOLOS UKRAYINY in Ukrainian 17 Mar 94 p 1

[Unattributed report: "Kiev and Tallinn Are Ready To Implement Specific Programs"]

[Text] Yesterday [16 March], the Estonian Republic's President L. Meri arrived in our country on an official visit. A ceremony was held on the occasion. The presidents of Ukraine and Estonia inspected the guard of honor. Following that, L. Kravchuk and L. Meri held negotiations tete-a-tete. As has become known from well-informed sources, the sides discussed a series of questions that dealt with an intensification of bilateral cooperation and with some international problems. During the first half of the day, joint Ukrainian-Estonian documents were also signed; in particular, agreements on cooperation in the spheres of education, science, and culture, as well as on procedures for travel by citizens holding diplomatic passports. The sides signed a protocol on consultations between external political departments of both countries.

President of the Estonian Republic L. Meri was received by chairman of Ukraine's Supreme Council I. Plyushch, who briefed the high guest on the present political and economic situation in our state and spoke in favor of expanding bilateral parliamentary ties.

On the same day, L. Meri met with our state's acting prime minister Yu. Zvyahilskyy. The sides discussed problems in the development of Ukrainian-Estonian economic cooperation and possibilities of removing obstacles on the road toward intensifying contacts between entrepreneurs of both countries.

In the second half of the day, the Estonian president laid a wreath at the Grave of the Unknown Soldier and visited the Kiev Cave Monastery. In the evening, the Ukrainian president gave a dinner in honor of the president of the Estonian Republic.

Foreign Minister Zlenko Visits Poland

Wants 'Equal Cooperation' With West

LD2103193094 Moscow ITAR-TASS in English 1711 GMT 21 Mar 94

[By ITAR-TASS correspondent Galina Nekrasova]

[Text] Lvov March 21 TASS—Ukraine does not want to be a buffer between the East and West. It wants to be an equal partner, Ukrainian Foreign Minister Anatoliy Zlenko told a news conference in Lvov, western Ukraine, on Monday.

The minister made a stopover in Lvov on his way from the Czech Republic to Poland where he will discuss the Partnership for Peace Programme.

Zlenko pointed out that Ukraine is interested in expanding regional and sub-regional cooperation, particularly with the Carpathian region, and joining the Visegrad group which unites Poland, the Czech Republic, Slovakia and Hungary.

The minister said that the opinion that Ukraine is not welcome in Europe is wrong, adding that after Poland he will fly to Brussels to sign an agreement on cooperation with the European Union. "Ukraine can and will cooperate with Western states. It has a potential for equal cooperation. There is also a reciprocal interest among the European powers," he said.

Signs 'Partnership' Agreements

LD2103224094 Kiev UNIAN in Ukrainian 2015 GMT 21 Mar 94

[Text] Warsaw, 21 Mar—UNIAN has reported that Ukrainian Foreign Minister Anatoliy Zlenko on 21 March began his visit to the Republic of Poland. On the same day he had a tete-a-tete conversation with Polish Foreign Minister Andrzej Olechowski. According to some information, they discussed the two sides' views on the Partnership for Peace program joined by the two states. After this, the foreign ministers signed a declaration on the principles of forming Ukrainian-Polish partnership and an agreement on protecting the graves and places in memory of victims of war and reprisals.

Commenting on the results of the Ukrainian-Polish negotiations and the agreement signed, Ukrainian Ambassador to Poland Hennadiy Udovenko stated to a UNIAN correspondent that the documents signed did not signify a union between Ukraine and Poland. They did, however, make the declaration of strategic partnership more specific. The ambassador's view is that "Ukrainian-Polish relations are at a stage of stagnation and are in need of a fresh impetus," in view of which he categorically opposed the opinion of some of the Polish mass media that the minister's visit was inexpedient ahead of the elections to Ukraine's parliament. He considers the visit very topical indeed.

Answering the UNIAN correspondent's question on whether the issue of Ukraine possibly joining the France-Germany-Poland geopolitical axis was discussed at the meeting, the ambassador stated Ukraine was interested in this issue but Poland had not decided yet.

Communique on Meeting of Crimean, Tatar Delegations

LD2103221894 Moscow ITAR-TASS World Service in Russian 1922 GMT 21 Mar 94

[By UKRINFORM correspondent Lev Ryabchikov for TASS]

[Text] Simferopol, 21 Mar—President Yuriy Meshkov's administration has issued a communique on the results of the meeting between the delegations of Tatarstan and the Crimea, which was held in Kazan on 18-19 March. At the meeting, questions of the fulfillment of the agreement on the principles of trade and economic cooperation between the republics were discussed, and their mutual interest in the further development of economic, scientific-technical, cultural, and humanitarian ties was expressed.

The presidents of Tatarstan and the Crimea agreed to hold consultations on questions of bilateral relations and to promote the development of contacts between state establishments and public, national, and other organizations of the republics. An agreement was reached on the opening of trade-and-economic and cultural centers in Kazan and Simferopol.

National Affairs

Kravchuk on Elections, Crimea

LD2103174394 Kiev Radio Ukraine World Service in Ukrainian 1410 GMT 21 Mar 94

[Interview with Ukrainian President Leonid Kravchuk by unidentified correspondent on 20 March; place not given—recorded]

[Text] [Correspondent] Leonid Makarovych, while everybody in Ukraine is preparing for the early election of a new Ukrainian parliament on 27 March and making predictions as to what will happen on the 27 and who will be elected, there are people who have already voted at polling stations—for example, at polling station No. 7 in Moskovskyy district, Kiev. Those are people who are unable to vote on 27 March and who can, according to the law, vote now. Thus, the election has begun. Tell us, please, can Ukraine survive such a multi-round election? The first round is unlikely to yield a full house; the second round has been mathematically predicted to result in [?one-third] of deputies elected. And then what, third, fourth, fifth?

[Kravchuk] First of all, no third round is foreseen by the law. Elections would then have to be postponed, extended, or deferred until next year. This problem is not a simple one. But still, I hope that people will vote for worthy candidates. Somehow I believe they will, because they should know that this is an important stage in the reform of the entire political system. If we get a new parliament, and if the new parliament at once passes a law on the local power structure, on the powers of local executives, their functions and their relations with the center, the Supreme Council, the president, and the Cabinet of Ministers, and finally passes a law on the president and what kind of president we are to elect, then the presidential election can take place in June. But if this election fails to take place, and these laws are not passed, we will wind up in a very tight corner, as I said before, a situation that is dangerous from the point of who is to govern the state and how it will be done.

Locally, we have authority: There are presidential representatives, administrations, councils, and executive structures [word indistinct]. They govern the processes locally. In the center, there is the Cabinet of Ministers, the president, and the Supreme Council, which is about to be elected. According to the Constitution, the council can extend its powers, but this article of the Constitution was passed dozens of years ago, when nobody had any idea that such a situation may occur during elections to the first and second Supreme Council. That is why it's just written there this way, but how do you implement it now, when a constituency can wind up with two deputies, one elected in 1990, and the other in 1994?

[Correspondent] And their relations are not stipulated in the law?

[Kravchuk] Not stipulated anywhere. So it's not a simple thing. Not a simple thing at all. We shall see another way out when the new Supreme Council is already elected. But what will happen is difficult to predict.

[Correspondent] But 27 March will be even a more difficult day for the residents of Crimea than for the rest of Ukraine, because Crimea's top executive, President Yuriy Meshkov, plans to conduct a poll on 27 March. There has been a lot of talk about this poll on the air.

[Kravchuk] I talked about it, too.

[Correspondent] And about your decree which abolished some of its premises. But a lot will depend on—and I quote the U.S. Embassy press statement—Kiev's considerable self-control. Does Kiev have that considerable self-control, Leonid Makarovych?

[Kravchuk] Of course it does. Because, first of all, this self-control needs to be understood in the way that we are acting in accordance with the constitution and the laws of Ukraine. It is very important. Whereas the president of Crimea has exceeded his powers—that is, has ignored the law, both the Ukrainian one and his own—the Ukrainian president is acting clearly within the framework of the law. Thus, if you put both of these documents on the scales, then you will see that we are acting clearly in accordance with the law, while the president of Crimea has violated the norms of both Ukraine's and his own law. And that is dangerous. Our self-control shows in the fact that we are staying always within the law. The Crimean president's lack of self-control in this case shows in the fact that he wants to break the law and he is breaking it. I already said this, and I want to say once again that the main thing that needs to be done in Crimea today is to solve economic problems.

A group of Crimean [word indistinct] led by the vice premier worked here for a long time together with our law experts. We met them half-way with a new formula for the Crimean budget. Crimea needs to contribute 6,000 bn [billion] karbovantsi for general Ukrainian needs. But to give them an opportunity to balance out their income and expenditure, we allowed Crimea to contribute only 2,700 bn; that is less than half the amount. And the rest of the money will stay in Crimea, so there will be a balance between income and expenditure. Besides, Ukraine is contributing over 100 bn for the Crimean-Tatar problems, out of its own budget. I understand, and we said this at the meeting, that we should focus our attention on economic problems and start solving them. As for powers, or other things, they are being considered now as proposals and will be gradually solved, and even some borderline cases concerning the division of powers will be solved to some extent in favor of Crimea, not in favor of Ukraine.

But this poll, I think, is aimed at getting the Crimean population politically charged. So as not to merely talk, but to quote figures and facts, saying, this is what the public wants, and Ukraine is withholding that. I think if the president is a legitimate one, and this is being claimed today, that he is legitimate and must act within a legitimate framework. This is the main road. A legitimate president cannot break the law.

[Correspondent] There is a famous quote, which was also recalled by former U.S. President Richard Nixon after a meeting with you, which is your phrase: The president of Crimea may not obey the president of Ukraine but he must obey.

[Kravchuk] Please, don't. You know, I am very careful about subordination. I am very keen to see that people subordinate to me, whom I am responsible for, are people capable of meeting that responsibility. Then I am not worried. I am not keen to rule over people who can break the law any time or bring about unpredictable developments. Therefore, I don't even want to put it this way in this case. And there is no need for that. But the law, the Constitution, is beyond my will—it is the will of the law.

[Correspondent] You know, Leonid Makarovych, this U.S. Embassy press statement also says that if one is to believe that the new political leadership of Crimea aims for Crimea's economic well-being, it would be better ensured by Crimea's active participation in the program of all-around economic cooperation the United States is starting together with Ukraine. This statement was made after your official visit to the United States.

[Kravchuk] By the way, there is one fine point here. We understand that Crimea has an [?informal] status of a resort, a recreation center, etc. It can become an attraction for ideas, capital, and so on, to turn it into a world-famous recreation base. It is possible. When Crimeans speak of a free economic zone, certain economic problems, of giving them more rights and opportunities for attracting capital, they have our support. But there is one point. And it must be understood in Crimea. Nobody will make a step without Ukraine's consent. If you talk about serious investment, the involvement of international financial structures, the European Bank, World Bank, the International Monetary Fund, and others, these organizations will not make a single step in relation to Crimea without Ukraine's consent. Thus, this can happen only within the framework of Ukraine.

We regard Ukraine as a system and Crimean problems within this system. If someone should think today that the government or the president of Crimea can directly approach international financial structures, international state structures, other states' governments, it is an illusion. Nobody will do anything in this respect without Ukraine. And everyone must understand and be aware of that.

[Correspondent] Ukraine, it is an obvious fact, adheres to the principles of the CSCE and other international legal norms in international relations. And if Meshkov is violating our constitution and our laws, he is violating the CSCE principles; therefore, this is extended to the extraterritorial level.

[Kravchuk] There was a program [words indistinct] saying there are problems of security in Europe, there are established international principles, there are norms. And the most painful problem of all is that of territorial integrity and sovereignty. This is the dividing line. This line determines whether there is to be peace or confrontation.

No one oversteps this dividing line. (?If you) [word indistinct] (?with) common sense and realistic policy, you do not overstep it. You know (?where this will lead to).

(?So) I would like to emphasize this so that everybody understands: Ukraine does not set itself the task of obtaining something from Crimea at all costs. We want (?both) Crimea and (?Ukraine) to tackle their problems. We shall help Crimea so it tackles them itself. That is what I would like most of all. It primarily applies to the economic issue. But whereas it was stated at the outset that it was the economic problems that were the basis-...[pauses] (?They say) [word indistinct] political confrontation and the question of where to go and for Crimea who to be with and so on and so forth. First, this will not make it possible to settle economic issues and, second, this will not yield any results. Everybody [words indistinct].

[Correspondent] Leonid Makarovych, I thank you very much for taking part in our program.

[Kravchuk] Can I raise a question myself?

[Correspondent] Please.

[Kravchuk] I found this, by the way, when looking at the questions given to me today at Ostankino. One of them—I forget the name of our citizen from Lugansk Oblast—this is what this citizen—or was it she?—asks me: Leonid Makarovych, I voted for you, the citizen says. I voted for you. In our oblast now rumors are being spread around that you have built yourself a dacha in Switzerland. Tell us whether this is true. I was asked this question, incidentally, by a trade union leader from Zaporozhye last year. I officially answered that the president had no dacha in Switzerland. He is not building it and is not going to do this. I use all the conveniences of life that the Supreme Council provided me with. (?I would like to repeat that) there was an official resolution adopted by the Supreme Council, on (?27) minimum wages, a state dacha in Koncha-Zaspa, transport, medical treatment, and everything that is written there. There is nothing else.

I know, however, this: (?Under) the system of ideology that you and I studied, there even used to be groups which were called groups (?on the distribution of interdepartmental finances). It is known how painful this detail is as perceived by the people. You see, they say he came to power and at once builds a dacha in Switzerland. They even say I transferred it to my mother. She died thirteen years ago in 1981. There was such a question and this is my answer to it: The Ukrainian president has no dacha in Switzerland. He is not building it, was not building it and is not going to do this.

'Gossip' About Kravchuk's Swiss Dacha Refuted

AU2203123694 Kiev HOLOS UKRAYINY in Ukrainian 19 Mar 94 p 2

[UKRINFORM report on "Statement by the Ukrainian Presidential and Cabinet of Ministers Press Service"]

[Text] The pre-election marathon is entering its final stage. Hence the obvious tension in the struggle for parliamentary seats among candidates for people's deputies. However, during the debates in the mass media and meetings with the electorate, some candidates are resorting to stirring up unhealthy passions against the Ukrainian president.

In particular, rumors to the effect that Leonid Kravchuk has a summer house in Switzerland are being spread actively and deliberately. The goal of these insinuations is clear: By "exposing," in this manner, the president, who was elected as a result of nationwide elections, they are trying to picture themselves as champions of the interests of the working people.

The Ukrainian Presidential and Cabinet of Ministers Press Service states this: This theme is not new. It already surfaced during difficult periods in the history of independent Ukraine. The Ukrainian president and the mass media were even earlier approached by people seeking explanations about the gossip on the so-called "dacha issues."

Both the president and the mass media have also repeatedly stated that Leonid Kravchuk does not have and has no intention of having any property outside our state. As Ukrainian president, he adheres to norms specified for the head of state by the relevant Supreme Council decision.

The Ukrainian Presidential and Cabinet of Ministers Press Service has been authorized to state that, also at present, such "revelations" regarding the Swiss dacha are nothing more than unseemly and provocative fabrications on the part of those who would like to acquire political capital by dishonest methods.

This becomes even more obvious if one realizes that there are very simple and effective ways to check such information. For this, it is necessary simply to turn to the competent Swiss bodies either in Ukraine (the Swiss Embassy) or abroad and, in accordance with Swiss laws, obtain the necessary information.

Kravchuk Issues Decree on Kiev's Functions

LD2203143094 Kiev Radio Ukraine World Service in English 2200 GMT 21 Mar 94

[Text] President Kravchuk signed a decree, which was circulated by the media on Monday, 21 March, and which specifies the Kievan municipality's functions and prerogatives involved in maintaining the city's national capital status and aimed at normalizing the social and economic situation in Kiev. The decree specifies that, pending adoption of the law of Ukraine on Ukraine's capital, the metropolitan municipality takes part in drafting and implementation of city development projects, exercises proprietorial management of Kiev's enterprises, establishments, institutions and organizations, takes part in decision-making, involving placement of central bodies which are formed by the Verhovna Rada (Parliament), president and government, exercises control over and registration of the city's housing, drafts and implements urban construction projects, etc.

The decree instructs the Cabinet and [word indistinct] to allot 15 to 20 percent of hard currency earned by metropolitan enterprises for the metropolitan municipality's needs. The Cabinet is also instructed to annually set a state order for food and manufactured goods procurement to ensure the continuous flow of commodity supplies to the capital. The National Bank of Ukraine is ordered to issue licenses to Kievan enterprises allowing them to charge rent in hard currency for their non-dwelling buildings and public utilities rented by foreign clients under contract or agreement. The metropolitan custom house and municipal interior bodies are instructed to allot 50 percent of proceeds, including hard currency as well as of hard currency which has been confiscated by them, for the capital city's needs.

Kiev Protests Donbass Referendum on State Language

LD2103212094 Moscow ITAR-TASS in English 2002 GMT 21 Mar 94

[by ITAR-TASS correspondent Anatoliy Gordeyev]

[Text] Donetsk March 21 TASS—It seems that the very word "referendum" has begun to irritate Ukrainian authorities after two weeks of fruitless disputes between Ukrainian President Leonid Kravchuk and newly elected Crimean President Yuriy Meshkov about a referendum in the Crimea.

The polemics which tends to involve more and more political forces has distracted the Ukrainian public from yet another plebiscite in the Donbass coal basin scheduled for March 27.

Residents of the region were supposed to say whether or not the Russian language should be considered as a second state language in Ukraine and express their attitude towards Ukraine's administrative division and participation in the Commonwealth of Independent States.

The decision to hold the referendum was adopted by the regional council on February 22. However, it had taken Kiev authorities a month to respond by ordering the public prosecutor to protest the council's decision. The Russian-speaking region said it will convene an urgent session of the regional council on March 23 to discuss further steps.

Meanwhile, the Lugansk region of Ukraine has announced its decision to hold a similar poll on the state language.

Roundup of Crimean Pre-Election Situation

Meshkov Appeals for Support

944K0904A Simferopol KRYMSKIYE IZVESTIYA in Russian 17 Mar 94 p 1

["Appeal of the President of the Republic of Crimea to the Citizens of the Republic, Citizens' Associations, Trade Union Organizations, Labor Collectives, and Members of Electoral Commissions"]

[Text] On 10 March of this year, I issued Edict No. 05/94 "On the Conduct of a Poll of the Citizens of the Republic of Crimea on 27 March 1994." Its purpose was the creation of a legal space favorable to the implementation of a preelection program regarding dual citizenship, Crimea's complete economic independence, and the practical preparation of important acts necessary for the successful implementation of reforms. This determined the essence of the questions submitted for the poll of citizens of the Republic of Crimea:

1) Are you for the restoration of the provision of the Constitution of the Republic of Crimea of 6 May 1992 which determines the regulation of mutual relations between the Republic of Crimea and Ukraine on the basis of a TREATY and AGREEMENTS? (Yes/No)

The need for this question is associated with the fact that the Supreme Council of Ukraine has not made a decision up until now about whether the law of Ukraine "On Demarcating the Powers between the Organs of State Authority of Ukraine and the Republic of Crimea" is in effect or not. Periodically, guided by political considerations, the Supreme Council of Ukraine makes attempts to require bringing the Constitution and legislative acts of the Republic of Crimea immediately into conformity with the Constitution and legislation of Ukraine. This makes the conduct of progressive economic reorganizations in the Crimea extremely difficult and the arrangement of fruitful relations with foreign partners even more complicated.

2) Are you for the restoration of the provision of the Constitution of the Republic of Crimea of 6 May 1992 that proclaimed the RIGHT OF CITIZENS OF THE REPUBLIC OF CRIMEA TO DUAL CITIZENSHIP? (Yes/No)

With its decree of 24 February 1994 "On the Status of the Autonomous Republic of Crimea in accordance with the Existing Constitution and Legislation of Ukraine," the Supreme Council of Ukraine made an attempt to deprive the Republic of Crimea of its own citizenship, reducing it simply to a concept of permanent residence on the peninsula. Naturally, this infringes considerably on the rights of Crimeans and does not respond to the aspirations of a majority of them that are directed at acquiring Russian citizenship as a second citizenship, like that of the other republics of the former Union. Therefore, it makes sense to elicit the opinion of citizens of the Crimea on the question, whose resolution Ukraine is hindering in every way possible.

3) Are you for conceding the FORCE OF LAWS to the edicts of the president of the Republic of Crimea on questions that are temporarily not regulated by legislation of the Republic of Crimea? (Yes/No)

The lawmaking activity of today's deputy corps has been rather weak, an insignificant legacy was left, and many key legal questions remained outside the purview of the Supreme Soviet of Crimea. After the elections, essentially new deputies will come to parliament who will acquire at least some legislative experience after many months. But regardless of this, and whether the Supreme Soviet adopts the required laws in a timely way or not, people all the same will have to drink, eat, clothe themselves, sow, harvest, study, get medical treatment, and so forth. And so that our impoverished and wretched life would change, reforms would continue, production would be normalized, and the lag behind Russia, not to mention behind countries of the West, would be reduced, it is expedient for the period until parliament begins to work quickly and qualitatively to allot to the president the right to issue appropriate acts on the most pressing questions in the vital activity of the republic that are not reflected in legislation in force.

It would seem that everything is clear and understandable. However, contrary to common sense, the Central Electoral Commission on elections to the Supreme Soviet of Crimea, with its decree No. 21/1 of 12 March 1994, expressed a reluctance to take on the work, and more accurately, the honor of organizing and conducting a poll of the citizens of the republic that responds to the despair of Crimeans, which is convincingly indicated by the results of the presidential elections. What is more, in paragraph 1 of its decree, the Central Electoral Commission, headed by V.V. Alsufyev, proposed to the president of Crimea to bring the provisions of the edict into conformity with existing legislation, thereby assuming the functions of the Constitutional Court of the Republic of Crimea. This is an impermissible excess of the powers granted to the Central Electoral Commission by Article 14 of the Law "On Elections to the Supreme Soviet of Crimea."

The conduct of the poll on another day or the creation of special commissions for the conduct of the poll do not constitute insurmountable difficulties, but it will require an additional diversion of numerous people with multibillion costs, which is not very sensible under conditions of a shortage even for the payment of pensions and wages. Therefore, the conduct of the poll simultaneously with the elections of the parliament of Crimea and the forces of the same electoral commissions would respond to the greatest degree to the interests of Crimeans—the expenditures will be reduced essentially to the cost of printing ballots and distributing them to the polls.

In view of the aforementioned, I appeal to all voters, citizens' associations, trade union organizations, and labor collectives that have nominated their own representatives to the electoral commissions: Hold meetings with the members of the commissions and give them instructions to support the idea of conducting a poll on 27 March 1994 with the forces of the currently operating electoral commissions. And I ask the members of every electoral commission to accept the decisions at their meetings concerning the participation of the commissions, regardless of the objective difficulties associated with this in the conduct of the poll scheduled for 27 March 1994 of citizens of the Republic of Crimea, about which the appropriate executive committees will issue notices.

The source of strength of a president is his unity with the people. Support the idea of an all-Crimean poll, and the achievement of our common goals, although not much, will be closer.

[Signed] President of the Republic of Crimea Yu. Meshkov
15 March 1994
City of Simferopol

Electoral Committee Resolves To Support Poll

WS2203103294 Kiev Ukrayinske Radio First Program Network in Ukrainian 0600 GMT 22 Mar 94

[Text] The decree on polling citizens issued by the Crimean president on 10 March prompted yesterday's fourth session of the Central Electoral Committee of the Crimea. In the course of the preceding sessions held jointly with presidential representatives, the committee drafted a compromise version of the decree on holding the poll. The Central Electoral Committee resolved to consider it possible to grant organizational support to President Meshkov in holding the poll in such a way as not to contradict laws or endanger the elections.

Tatar Officials Criticize Referendum

MK1803123094 Moscow NEZAVISIMAYA GAZETA in Russian 18 Mar 94 p 3

[Unattributed report under the "NEGA Reports" rubric: "Crimea"]

[Text] The Crimean Tatars think that the holding of a referendum on 27 March on the peninsula's relationship with Ukraine and on the dual citizenship problem contravene both Ukraine's laws and those of the Republic of Crimea. This was stated on 17 March by Refat Chubarov, deputy chairman of the Tatar People's Assembly, in an interview with a NEGA correspondent. R. Chubarov personally supports the Ukraine president's edict canceling two points in Crimea President Yu. Meshkov's edict. In his opinion, "the war of laws unleashed between the Republic of Crimea and Ukraine, which will have a continuation, will push Crimea into an abyss." In which case one would not be able to talk about any economic transformations on the peninsula, R. Chubarov thinks.

The Crimea president's decision to put his representatives in charge of city and rayon executive committees is drawing negative reactions in the regions. In particular, Sergey Kunitsyn, chairman of Krasnyy Perekop town soviet and deputy of the Supreme Soviet of Ukraine, described these intentions "illegal and contravening the Constitution of the Republic of Crimea." Under the Constitution of Crimea, an executive committee is an organ of a soviet, and a soviet is formed through the holding of general elections, S. Kunitsin thinks.

Russian Movements Appeal for Boycott

AU2103123394 Kiev HOLOS UKRAYINY in Ukrainian 17 Mar 94 p 6

[Unattributed report: "There Is Only One Russia, Whereas Crimean 'Sons' Are Plentiful"]

[Text] Meetings of two political councils—of the "Russian Society of the Crimea" and of the "Russian Party of Sevastopol"—were held in Simferopol. (On the eve of the presidential elections on the peninsula, the "Russian Party of Sevastopol" seceded from the "Russian Party of the Crimea" and created its own separate organization.) A number of appeals to the electorate of the Crimean Republic were adopted, in particular, not to take part in the elections to Ukraine's Supreme Council and also to the Crimean Supreme Council in accordance with party lists. The voters are urged not to accept these two ballots at electoral wards. Such a position is due to the fact that the aforementioned Crimean movements do not consider the Crimea to be a part of Ukrainian territory.

With regard to elections to the Crimean parliament, the "Russian Society of the Crimea" and the "Russian Party of Sevastopol" are convinced that, today, the "Rossiya" [Russia] bloc is not what it used to be when it brought [Crimean President] Yu. Meshkov to power. According to chairman of the "Russian Party of Sevastopol," deputy of the Crimean Supreme Council and of the Sevastopol City Council Aleksandr Kruglov, the "Rossiya" bloc has been joined by those people who betray Russian ideas. The voters are urged to vote for individual personalities, proceeding from their specific personal characteristics, and not for candidates of the "Rossiya" bloc during the Crimean elections to the Supreme Council that will be held in accordance with the majority system.

'Rossiya' Bloc on Independence

WS2103155294 Kiev KRYMSKAYA PRAVDA in Russian 10 Mar 94 p 2

[Interview with V.P. Mezhak, chairman of the Popular Party of the Crimea, by V. Danilov; place and date not given: "'Rossiya' Block Is True to Its Goals"]

[Text] [Danilov] Many readers of our newspaper wonder if the "Rossiya" [Russia] bloc remains true to its basic principles proclaimed during the presidential campaign of Yuriy Meshkov? Did this program undergo any changes?

[Mezhak] Let me put it straight, we are not going to back out of a single provision of our program that was adopted at a meeting of the bloc's Coordinating Council on 25 February.

Our prime goals include the emergence and development of the Crimean Republic as an independent and law-abiding democratic state, overcoming the economic crisis, and creating conditions for a worthy life for Crimean residents, whose interests and rights we are going to uphold consistently. The "Rossiya" bloc still considers calling a referendum on the Republic's status a precondition for establishing the Crimean statehood. Its favorable outcome would lay firm the political and legal foundation for our state independence, which will enable us to conclude political and economic agreements with CIS states.

The bloc's ultimate goal is to reestablish unity with Russia and other CIS countries and, at the initial stage, form an economic, political, and military union, with its consequent transformation into a confederation or federal state.

[Danilov] According to a decision recently adopted by the Ukrainian Supreme Council, the Crimean Republic has no right to its own citizenship, its financial and monetary systems, and other trappings of statehood. Where would you see a way out of the legal "maze" of Ukrainian-Crimean relations?

[Mezhak] First, the above decision by the Ukrainian Supreme Council is obviously overdue, since the Crimea already has its own banking and systems. It also established its own Crimean bank, and it was a result of the official negotiations with Kiev on power sharing. The Crimean citizenship issue has as strong a legal base. So, the Ukrainian Supreme Council's other statement about unconformity of the Crimean legislation with the Ukrainian one is largely a propagandist move.

Second, it is no secret today that policy based on administrative restrictions and forcible measures is doomed to failure. Processes similar to the Crimean are under way in other Ukrainian regions. People striving for integration and unity cannot be repressed by directives from above. In his recent television appearance in the peninsula, Crimean President Yuriy Meshkov stressed that the following passage of the question that will be put to a referendum should bear the main emphasis: "...in a union with other CIS states." Ukraine is certainly among those states, so it would not be serious to call us separatists.

[Danilov] What kind of Crimean statehood, which we are just beginning to build, do you envision?

[Mezhak] One should provide all necessary conditions for the smooth operation of a multiparty system in the Crimea. The "Rossiya" bloc stands for the representative democracy allowing all social forces to actually participate in managing the state. We want to see the Crimean president as head of the state, and the executive branch head elected by and accountable to the Crimean Supreme Soviet. However, the best solution at this stage of the Crimean independence would be to have the president serve as head of state, which would guarantee observance of the Crimean Constitution, and at the same time be the head of the executive branch. One should ensure representative power for local governments, too.

Finally, the "Rossiya" bloc considers Sevastopol an inalienable part of the Crimea and will seek to establish government bodies in the city based on the Crimean legislation.

[Danilov] At present, all political parties and figures speak a lot about human rights. But talking, as everyone knows, does not necessarily mean doing. What steps does the "Rossiya" bloc plan to undertake in this sphere?

[Mezhak] Our priority is to provide legislative support for the right of Crimean residents to dual citizenship; first citizenship would be Crimean, and the second depending on their choice.

Another issue playing an important role in our program is the judicial reform providing for electiveness and independence of judges from the power elite, the jury, expansion of legal powers, the right of local courts to revoke decisions of local executive institutions.

It is obvious that there can be no talk about human rights until we smash crime that has spread on an unheard-of scale. For this purpose, one should improve the material conditions of the public order forces.

[Danilov] What are the main provisions of the bloc's economic program?

[Mezhak] Recognition of the open-type economy matched with certain protectionist policies of the state with regard to Crimean manufacturers. Privatization of production means, transfer of property to private manufacturers with the preservation of a substantial part of the state sector. At the same time, the state would dominate industries of nationwide importance or enterprises losing money in the market conditions. One needs to conduct agricultural reform, demonopolize production, and pass a law on competition.

Encouraging production should serve as the basic principle of the taxation system.

A special place in our economic program was given to the economic sovereignty of the Crimea, which means its thorough financial independence (drafting the budget, setting taxes, managing credits and payments, etc.), independent economic policies giving the peninsula a free hand in establishing priorities in foreign economic links. A system of investment privileges needs to be guaranteed by the state to attract foreign capital to the Crimea.

According to our concept, a broad social base for privatization should be ensured by personal accounts [imennoy shchet] or securities, including those on land, considering the interests of working teams.

[Danilov] Can we say that the implementation of your bloc's economic program began after Yuriy Meshkov was elected president?

[Mezhak] Nomination of the prominent Russian economist, Yevgeniy Saburov, testifies to the fact that the Crimean president and the "Rossiya" bloc keep the word they gave to Crimean residents during the presidential campaign. However, our government must find a firm foundation in the peninsula's legislative power so it can work undeterred. This is why the "Rossiya" bloc attaches such great importance to the upcoming elections to the Crimean legislature.

[Danilov] What would you name as the core of your program's social policies?

[Mezhak] The main principle of our social policy is supporting a specific individual instead of whole groups. The state is supposed to help those who are not in a position to make a living through their own work, and to create necessary conditions for those who can achieve good results in working for the public good. The state must guarantee its citizens free health care to the previous extent, and finance science and education.

According to our program, Crimeans will get the chance to receive an education at Russian higher education institutions as a result of relevant agreements with the Russian Federation.

In the sphere of ethnic relations, we will seek to strengthen a multinational state on the Crimean peninsula, whose citizens will enjoy equal rights and opportunities regardless of their nationality and creed.

Crimea Officers Meet

MK2203143094 Moscow NEZAVISIMAYA GAZETA in Russian 22 Mar 94 p 3

[Unattributed report under the "NEGA Reports" rubric: "Crimea"]

[Text] An election meeting of the Officers Union of Crimea comprising 500 servicemen of a pro-Russia orientation was held in Sevastopol on 20 March. The Officers Union of Crimea nominated 11 candidates for the Supreme Soviet of Crimea who include Black Sea Fleet servicemen. The Officers Union turned to Russian Federation President B. Yeltsin and the Russian Federation State Duma with a request to speed up the solution of the question on placing Sevastopol and the Black Sea Fleet under Russian jurisdiction. An appeal to Republic of Crimea President Yuriy Meshkov contains a call to create on the basis of the Officers Union a National Guard of Crimea and, in this connection, to eliminate on the peninsula's territory the National Guard of Ukraine.

Plyushch Addresses Cooperation Congress

WS1803154594 Kiev HOLOS UKRAYINY in Ukrainian 11 Mar 94 p 2

["Abridged" speech by Ukrainian Supreme Council Chairman Ivan Plyushch before delegates of the Consumer Cooperation Congress; place and date not given: "Ukraine Is Forever, and it Depends on Us Whether it Will Be Happy or Unhappy"]

[Text] Consumer cooperatives are serving 23 million people, including 9 million shareholders. Their role in our social life and economy is significant. When we say that there is no alternative to reform, this means that the importance of cooperatives will be constantly growing, whether we want this or not.

I want to draw your attention to those processes that are under way in particular in rural areas, and deny allegations by those who claim that reform is not advancing. Here are concrete figures. In general, the total number of cattle has unfortunately been decreasing over recent years. Both the tempo and the trend of the decline in the state and kolkhoz sectors are steady, and the decrease is measured in millions of head. However in [private] village farms, an opposite process is under way. In 1993, the data were as follows: The total number of cattle went up by 240,000 head, which amounts to the emerging of a medium-sized oblast. The number of pigs increased by more than 200,000. Converting into symbolic figures the number of cattle and pigs raised in the private sector over the last three years, we would receive almost a million head. Incidentally, the increase rate was almost 13 percent in 1993.

What does this mean? If you fail to change your infrastructure to account for these changes, an enormous incongruity may arise. Your reform and production must be in line with the changes and trends currently under way in Ukraine as a whole. And instead of reducing and curtailing the scope of your activities, you should expand it on a qualitatively new basis of cooperation and mutually advantageous contracts.

One of the speakers at the congresses maintained that consumer cooperation is losing authority. I think this is not the case. The only ones to believe this are those who either prefer not to notice changes or have not been given to realize the actual state of things.

Yesterday, Valentin Roshchin, our guest from the Russian Federation who is first deputy chairman of Russia's Central Union of Consumer Cooperatives, spoke here. He pointed out: "I hope that your congress facilitates the revival of cooperatives in a new form." Sincerely greeting your congress, I want every one of you to leave this hall with a deep conviction that we should revive the cooperatives in a new form, the one dreamed about by outstanding scientist Oleksandr Vasylyovych Chayanov. He depicted its essence as "cooperation of cooperators." Thus, the future belongs to you and manufacturers.

Next comes the issue of relations between consumer cooperatives and the state. I support what I once said in an interview with your newspaper VISTI: "Cooperatives are a state within the state." I said this many times to people from the agro-industrial complex and consumer cooperatives. If you do not become a state within the state, we will not change production relations. If we fail to do this we will also fail to change our attitude toward work and thus, improve our living standards.

This does not mean that you break away from the state and become independent. Everybody depends on the state. Saying that manufacturers, entrepreneurs, or cooperative bodies are independent is just an invention. They are all dependent because they all are parts of the state. The point is how dependent they are, whether they are directly subordinated [to the state] or they coexist on an agreement, contractual, or other bases. I mean that consumer cooperatives should build their relations with the state primarily on the basis of agreements. If a state delegates some of its functions to consumer cooperatives, this should be provided for by an agreement and this agreement should be strictly observed. If one party or another fails to observe this agreement, the third branch of power—the court—will have to intervene, and everything will be regulated by order of the court. I say this not out of desire to pit consumer cooperatives against the state, but because this is in line with Ukraine's actual laws and the realities of a democratic state of law.

Inflation is one of the most acute problems, and one of the speakers here has said that it has eaten up your money. Tell me, whose money has it not eaten up in Ukraine? It has eaten up cooperatives' money, people's savings, state enterprise, kolkhoz, and sovkhoz assets. When inflation in a state begins to swell, it eats up everyone's money without distinction, but the poorest people are afflicted more than others. Unfortunately, it happened so that the group of people with which consumer cooperatives are dealing is the most impoverished one.

If someone today is aiming to liquidate village stores or introduce such reform that would ban consumer goods from villages, this is sabotage and not reform. Those guilty of this should be punished by administrative or other measures.

There was talk at the congress that there are attempts to appropriate consumer cooperatives' property and privatize it. We cannot let this happen. Cooperatives alone have the right to manage their property. Whenever some property is privatized in a normal economy, the state demands that 70 to 80 percent of the previous assortment of goods, specialization, and special features of this commercial outlet be retained. Thus, neither privatization nor any other change in the form of ownership should result in shortages of consumer goods in village stores. If today it is unprofitable to ship bread to villages—and this is a reality— this must not be attributed to cooperatives. You are performing state functions and should have an agreement with the state, which should either partially compensate your losses or you will divide them among yourselves, or find other mutually advantageous solutions.

You all remember the times when there was no difference between state commerce and consumer cooperatives, aside from better goods being shipped to state stores. Cooperatives did not function in accordance with their charter. A legal footing has now been created for both consumer cooperatives and other forms of ownership. Leasing and sharing are becoming more widespread; destatization is under way. This process will be expanding. In developed countries, even power plants are in private hands, but the energy system is state-run and every power plant contributes power and heat to the system. I am not speaking about privatizing the power system, perhaps we will come to this in 10 years or so. The point is how to make consumer cooperatives survive along with other economic structures. Are cooperatives in a better situation than state commerce or the state production sector? Their situations are virtually analogous.

Our colleagues from Russia and Moldova spoke here. It turned out that we have common problems and, as long as they remain unresolved, there will be no stable ties about which some political forces like to speculate very much. The ties have been disrupted because payment mechanisms ceased to exist. As early as three years ago, there were shortages of money. If someone tells you that Ukraine abandoned the ruble zone, do not believe him. This is being said by those politicians who find this statement advantageous. In reality, Ukraine, along with other republics, was thrown out of this zone, which was an objective process. As we all know, in September 1993, some states signed an agreement about the creation of an economic union, but as of today, the ruble zone has been created neither between Russia and Kazakhstan nor between Russia and Belarus. This zone can be created solely under one condition: Either Belarus, for example, becomes a part of Russia or the two states unite on the same basis as EC countries are trying to, after 40 years of cooperation. We are not a unique phenomenon and no islanders that can do whatever they want. This illusion has afflicted severe damage on Ukraine, Russia, Belarus, Kazakhstan, Moldova, and other republics. I think that consumer cooperatives must be among the trailblazers in making mutually advantageous contacts. We should not think about global all-embracing things. Let us first establish normal relations between our cooperatives. However, you will set up these relations quicker, if instead of a simple exchange of goods currently termed barter, the "blood vessel" of the financial-credit system starts to function. Who has money for this? Acting Prime Minister Yukhym Zvyahilskyy reported in his speech yesterday that a 500-billion karbovantsi credit had been earmarked for consumer cooperatives. Did you feel that? Let us be frank—this credit will produce no tangible effects, because judging by the data cited here, your projects demand more than 10 trillion. When there is no proper correlation between products and money, no matter what politicians do, there will either be skyrocketing inflation (which we are experiencing today) or a tough financial-credit policy that will lead to a normal market, and economic correlation between money and product supply.

We have started this work, but believe me that we cannot do it given our ersatz currency and the inflation rate of 1993. This year, a spark of stabilization started burning. Not a torch yet, because what kind of stabilization is that, when people are not being paid wages and cannot buy products? However, this is the kind of spark that gives hope and proves that things can be improved.

Banks have been bitterly reproached from this rostrum for granting high-interest credits and reaping dividends. This is also a reproach for me, because the National Bank is subordinated to the Supreme Council. However, the Supreme Council does not manage banks as was said here. We do not exercise this kind of control. The National Bank is subordinated solely to the law and depends on the Supreme Council, only in the sense that the latter passes laws on bank activities.

The National Bank's function is to oversee the proportion "money—product—money," while the issuance of credits belongs to commercial or departmental banks. There are voices calling to nationalize these. However, this is not the kind of road for us to choose. We should encourage competition between banks. If we want to go back to the administrative-command system and totalitarianism, then we should proclaim them state banks. However, we cannot go back to what once existed. Thus, we must act in such a way as to make banks have interest in manufacturers. According to Chayanov, the nature of market relations envisions that if someone comes and buys something, the seller should give him an award. If a shareholder, a farmer, or a village resident deposits his money in a bank, this must be advantageous for him. However today, everything is the other way around. There is just one solution, that is to put an end to the monopoly of these banks.

What Ivan Illich Bakhchyvanzhi from Odessa Oblast told us here, and he was not the only one to say this, means that you are able to create your own bank within your system. It will interact with you and other banks, and then you will get things going. Then, the interest-increase curve will begin to decline, because you will be able to bargain about credit interest rates, doing this on mutually advantageous terms. It is good that you are already laying the foundation of your bank. I know about the agreement to allot a certain sum of state money for this bank, so as to let you purchase small bakeries for rural areas, about which there was talk here, freezers, and other equipment; as well as more actively carry out reform in your sector.

Important issues, not only for consumer cooperation, have been brought up in this hall. I am grateful that you have given the floor to village and rayon council heads and a school principal. Cooperative workers from different oblasts told us a lot of interesting things. One can feel that despite tremendous hardships, you have had good initiative on the way to the market. These sprouts have been conditioned by life.

I am sure you can cite a lot of concrete places in which reform in different spheres is advancing despite all the obstacles.

Two years ago, one of the managers from Donetsk Oblast, asked by me why people had not been allotted land for vegetable and collective gardening, answered with surprise: "Do you mean we have to give them blackland?" This is some stance indeed! People can be given slopes, ditches, and other worthless patches of land, but by no means blackland.

However in spring, grass will grow even through asphalt. Let me cite these figures: Over the last four years, the volume of areas earmarked for vegetable and collective gardening has significantly increased. What have been the results of this? Here I have data from some oblasts. In previous years, more than 100,000 tonnes of potatoes were shipped yearly for the needs of Kiev residents. In 1993, 16,000 tonnes were shipped, and now nobody knows what to do with them. The point is that the production of potatoes by all the social groups in the oblast has grown more than twofold. The same thing happened in Dnepropetrovsk Oblast. Some 37,000 to 40,000 tonnes of potatoes used to be shipped to Zaporozhye Oblast every autumn, in accordance with the central plan. In 1993, the figure was 6,000 tonnes, and nobody in the city complained about shortages. It turned out that potatoes grow there as well. Under the old economic system, potatoes would not grow in southern oblasts, but when land was given to the people, they started to grow in both Zaporozhye and Dnepropetrovsk Oblasts. I could cite more examples of this kind.

You have repeatedly mentioned the Law on Consumer Cooperation here, adopted by the Supreme Soviet. In my opinion, it is far from ideal, but it has opened the door for you and provided a legal footing for developing your structures. However, commenting on that law, one senior official once said: "I have all grounds to claim that the law on cooperation is a result of a bribe." [words within quotation marks in Russian] You might be perplexed to hear this phrase, but it is a reverberation of times wept for by some people. Of course, such managers do not like reform in consumer cooperation, because cooperative members no longer address them with these kinds of questions: "Ivan Petrovych, we have received five freezers, 10 suits, and 30 shirts. To whom shall we sell them?" Such managers do not care about baby food or our other hardships.

However now, you must become the only masters of your system. You have held 36,000 accounting conferences on all levels, and this congress crowns your work. Thus, you should decide how to live and continue your work. Today, law provides a legal footing for consumer cooperation. If you make right decisions, people will be grateful to you; if your decisions are faulty you feel the consequences. There exists a wise saying: "The trial and error method is not the best one, but nothing better has been discovered so far." One should not simply mark time; one should move forward and make progress, stumbling. The only ones to make no mistakes are those who do no work.

You say that your best people abandon you for commercial structures. If you cannot create conditions like those in commercial structures, the outflow of people will continue. You must create conditions to make people come to you and not vice versa. In my opinion, employees will not abandon Ivan Illich because the conditions created in his organization grant both good wages and supplies for village people. If you fail to do this, you will lose your workers.

I would like to say a couple of words regarding the essence of our political reform.

In 1990, the Supreme Council was elected and is now completing its work. We have lived through many things over the last four years: We have passed the Declaration of Ukrainian Sovereignty and the Act of Independence; debunked the administrative-command system and everything that accompanied it; and created more or less democratic conditions. For the first time ever, opposition has been formed in the legislature which, according to international norms and rules, is a necessary attribute of every parliament. Lack of opposition amounts to monopoly on power and lack of democracy.

Over that period, we have passed more than 400 laws and 1000 resolutions. Political forces give different evaluation of these laws on the eve of elections. Some claim that these laws cause anarchy, while others say that they want to enter the new legislature to rescind everything adopted by the current Supreme Council. However, we should go to the Supreme Council to continue the creation of a legal footing for radical reform, modify and improve existing laws.

It depends on us whom we will elect on 27 March. After this day, there will be no one to blame. Thus, I am addressing you as the cadre dealing with 23 million people, including 10 million in the heart of the country. We should kneel before these people and thank them for tolerating us.

We should tell them: Empower those whom you believe trustworthy. This power should act and not be afraid of anything, because it is popular, that is elected by the people.

We already have a legislative basis for village people electing village heads, rayon residents—rayon heads, town residents—town heads, oblast residents—oblast heads, and the entire Ukrainian nation—the Supreme Council and the president. Deputies of representing organs of power will also be elected in villages, towns, rayons, and oblasts.

Thus, the legal footing for holding democratic elections has been formed. The newly elected legislature, along with the rest of the nation, will have to continue the development of a democratic state. Please, believe that Ukraine is forever, and it depends on us whether it will be happy or unhappy.

Deputy Prime Minister Forecasts Rising Unemployment

MK2203141094 Moscow SEGODNYA in Russian 22 Mar 94 p 5

[Unattributed report: "Unemployment Growing in Ukraine"]

[Text] As of the end of 1993, around 93,000 people were registered in Ukraine as unemployed. According to the Ukrainian Labor Ministry's forecast, the figure is expected to rise to 1 million by the end of 1994. Meanwhile, Ukrainian Deputy Prime Minister Valentin Landik has said that the number of people out of work will rise even higher following mass bankruptcies of enterprises. By year's end, up to 3.4 million of Ukraine's able-bodied citizens, that is, every ninth resident of the republic, will be fully or partially unemployed.

Committee Rejects Assessment of Nuclear Plant Fire

LD2203120194 Kiev UNIAN in Ukrainian 1500 GMT 21 Mar 94

[Excerpt] Kiev—UNIAN has learned that Ukraine's State Committee for Control of Work Safety in Nuclear Engineering [Derzhatomnahlyad] disagreed with the safety level assessment of the fire at the Khmelnitskiy AES given by the State Committee for the Use of Nuclear Power [Derzhkomatom]. The head of Derzhatomnahlyad's scientific and technical directorate, Vadym Hryshchenko, told UNIAN that although the radioactive situation had not deteriorated, a fire always posed a potential threat of weakening safety control systems in the power unit. Therefore, this case should be classified on the international scale of incidents as first level, not zero level. Derzhatomnahlyad has reported its verdict to the International Atomic Energy Agency. [passage omitted]

Fleet Fails To Inform Ministry of Military Exercise

AU2203112194 Kiev HOLOS UKRAYINY in Ukrainian 19 Mar 94 p 1

[Unattributed report: "Antisubmarine Exercise in the Black Sea Fleet"]

[Text] On the evening on 17 March, near the Crimean shores, a large-scale Black Sea Fleet exercise started. It was meant to develop methods of conducting combat operations against submarines of an imaginary adversary with an active air force counteraction. On the morning of 18 March, as many as 25 ships, two submarines, and five auxiliary ships were already involved in the exercise. They occupied the area from Donuzlav (western shore) to Kerch (in the east). The exercise had been coordinated with Russia's Ministry of Defense. As our correspondent was told at the Press Center of Ukraine's Ministry of Defense, the Black Sea Fleet Command had not informed Ukraine's Ministry of Defense of this exercise.

Power Ministry To Cut Heating Supplies Early

LD2203164094 Kiev UNIAN in Ukrainian 1420 GMT 22 Mar 94

[Text] [No dateline as received]—A UNIAN correspondent learned today that heating in Ukraine's residential buildings and at enterprises will be switched off before the end of March rather than on 15 April as was the case previously. Commenting on the situation, Oleksiy Sheberstov, Ukraine's first deputy minister of power engineering and electrification, said Ukraine's fuel supplies are rapidly diminishing. At the same time, consumers owe 8,000 billion karbovantsi to the ministry, which is the reason why it lacks the money to buy oil and gas for heating.

Belarus

Two Missile Units Begin Withdrawal to Russia

PM2103150194 Moscow KRASNAYA ZVEZDA in Russian 21 Mar 94 p 2

[Aleksandr Dolinin report: "For Civilized Countries Missiles Are Not a Bargaining Chip"]

[Text] Two missile regiments stationed on Belorussian [Belarusian] territory in Mozyr and Lida have started to withdraw their weapons and military hardware to Russian territory.

A grouping of Strategic Missile Forces comprising two missile divisions is currently stationed on Belorussian territory. They include 8 missile regiments armed with RS-12M Topol road-mobile missile complexes. The total number of missile launchers is 72.

Under this year's jointly agreed timetable, one-half of these will be withdrawn from Belorussia [Belarus] to Russia, and the rest will follow by the end of next year. By the middle of 1996 the Mozyr and Lida Divisions will be completely disbanded. All the missile troops' military bases and housing compounds will be handed over to the Belorussian side. We already have experience of this work. Last summer nine missile launchers were withdrawn from Postavy to Russia following close cooperation between the Russian and Belorussian sides.

What will happen to the "Belorussian" nuclear weapons next? The weapons and military hardware that are being withdrawn will be held at Strategic Missile Forces arsenals in Russia, where they will subsequently be used as an exchange fund to replace weapons that have reached the end of their service life in missile regiments on combat alert in Russia.

What does the future hold for the missile troops themselves? Lieutenant General Viktor Yesyan, chief of the Strategic Missile Forces Headquarters Operations Directorate, said that they would serve in Russian units that are currently undermanned. Officers and warrant officers who have expressed a desire to remain in Belorussia will be discharged from the ranks of the Russian Armed Forces. Their status has been defined by a special agreement between the Russian Federation Ministry of Defense and the Republic of Belarus Ministry of Defense regarding the procedure for performance of military service by officers, ensigns, and warrant officers. This agreement has been approved by the Russian and Belarusian Governments and is being rigorously implemented. Officers and warrant officers who used to serve in the Strategic Missile Forces and who remain in Belorussia will enjoy all the rights of citizens of this republic. There have been no cases of encroachment on these rights.

Democratic Party Supports Shushkevich for President

WS2103164294 Minsk BELAPAN in Belarusian 1502 GMT 21 Mar 94

[Text] The Central Council of the United Democratic Party of Belarus has decided to support the ex-speaker of the Belarusian Supreme Soviet, Stanislav Shushkevich, during the presidential election campaign. It is already the second political party that has declared its readiness to support S. Shushkevich. Earlier, such a resolution was adopted by the Belarusian Social Democratic Assembly.

Kebich Announces Gas Debt Reduction by R150 Billion

WS2103185294 Minsk RID in Russian 1503 GMT 21 Mar 94

[Report by Yuriy Domnich: "The Next Deal or a Step Toward Unification?"]

[Text] On 18 March, at a behind-closed-doors session of the Belarusian parliament, Prime Minister Vyacheslav Kebich stated that Russia has decreased the price for gas for our republic, and called it a practical step toward the unification of monetary systems.

By now, the value of 1,000 cubic meters of gas is equal to $50 instead of $80. This change was introduced effective 1 January 1994. In the effect of recalculation, Belarus' debt to Russian suppliers decreased by 150 billion rubles [R]. However, the opposition's reaction was skeptical. As RID was told by People's Deputy Sergey Naumchik, the only thing for free is cheese in the mousetrap. It follows from this that shady deals are still being arranged behind people's backs.

World Bank Approves Loans for Agriculture, Engineering

LD2103121894 Moscow ITAR-TASS in English 1148 GMT 21 Mar 94

[Report by BELINFORM-TASS]

[Text] Minsk 21 March, TASS—Belarus will receive loans worth $150 to $160 million thanks to a memorandum, signed by chairman of the Belarus Government Vyacheslav Kebich and head of the World Bank mission Wafik Grace. The loans will be granted for a period of 15 years with the postponement of the first payment.

The loans to be received as a result of the signing of the memorandum will be spent on the implementation of projects in the spheres of forestry, agriculture, power engineering, transport and communal economy. Private enterprise and the utilisation of harmful industrial waste will be further promoted.

The World Bank has already granted two loans to Belarus—some 17 million dollars for reforming management authorities and $120 million for the import of vitally necessary goods and materials.

Kazakhstan

Nazarbayev Views Foreign Investment

PM2103160494 London THE DAILY TELEGRAPH in English 21 Mar 94 p 28

[Report on interview with Nursultan Nazarbayev, Kazakhstan President, by Ian Macwilliam in Alma-Ata; date not given]

[Text] For anyone who wants to know why British and European firms should be interested in his vast Central Asian republic, President Nursultan Nazarbayev has facts and statistics to hand.

He reels off the list of major oil and gas companies—Chevron, Mobil, British Petroleum, British Gas, Shell, Elf-Aquitaine, Total, Agip—that have made major investments in the Republic many are dubbing in hope "a new Kuwait."

The president says it produces 27 million tonnes of oil a year, targeted to increase to 70 million tonnes by 2010 and 22 million tonnes of wheat. Sixty million tonnes of coal and 20 million tonnes of iron ore are exported to Russia annually.

The figures continue with the minerals Kazakhstan has to offer—50 to 60 million tonnes of gold, 30 per cent of the former Soviet Union's copper output, 70 per cent of its lead output, and so on.

Mr. Nazarbayev's official two-day visit to Britain begins today. He will do his best to sell Kazakhstan to British business. He is bullish about his country's prospects, and he fixes the listener with an unwavering eye as he elaborates.

He has been invited by the British Government for his first official visit since Kazakhstan's independence in 1991. From the Kazakh—as from the British—point of view, the chief purpose of the visit is economic, furthering trade links between the two countries.

Mr. Nazarbayev will meet the Queen as well as John Major and and Michael Heseltine, President of the Board of Trade, and will address the CBI and Chatham House as well as having meetings with companies interested in Kazakhstan.

Agreements to be signed cover trade and economic cooperation, the attraction of investments, and foreign ministry consultations. An airline agreement and one on avoidance of double taxation will also be signed.

Mr. Nazarbayev, the former Communist leader of Kazakhstan, has emerged as the best-known leader of an ex-Soviet Republic outside Russia.

His policy of opening the way for foreign investment to push Kazakhstan into a market economy has earned considerable praise from investors, many of whom find the country an easier place than Russia in which to operate.

The Central Asian republic presents fewer political and bureaucratic hurdles than Russia. Mr Nazarbayev is undoubtedly the boss. His instructions are carried out without the bickering that Russia's unpredictable politics often entail.

The president outlines four priority areas in which he is seeking foreign investment .

Foremost is the energy sector, where oil and gas have already brought huge outside investments. "We are not seeking any charity here," he emphasises. "We want to invite foreign investors for mutually advantageous cooperation."

Second is processing in the agricultural sector. "We are a huge producer of wool and we want to start a wool processing industry also. We have cotton, but we do not have mills. We produce 1.5 million tonnes of meat, but we do not have a meat processing industry."

The third and fourth priority areas are in the extraction and refining of gold and other non-ferrous metals.

"You can't lose. Why don't English companies come and start working here?" Nazarbayev asks. "They are hesitant to come."

Fourteen British companies are now resident in Alma-Ata, in addition to 32 joint ventures. This compares with about 50 American and 24 French companies registered in the Republic.

Kazakhstan is forging ahead with an ambitious privatisation programme which will transfer most of the economy into private hands within three years. Auctions are due to start next month to sell about 3,500 medium-sized enterprises to investment funds into which all citizens can buy with coupons that they get free. Foreigners are initially excluded, but will be able to buy shares and assets of privatised enterprises at a later stage.

Foreign companies will be allowed to participate in the privatisation of 37 large enterprises to be sold on a case by case basis, the president promises.

Ethnic relations are a possible future problem, since Kazakhs, a once-nomadic Turkic people, and ethnic Russians each make up about 40 per cent of the population of 17 million. Historically, relations between Kazakhs and Russians have been remarkably good. Economic difficulties have revealed some tensions in recent months however.

Nazarbayev Meets Major; Agreements Signed

LD2103210294 Moscow ITAR-TASS in English 1938 GMT 21 Mar 94

[By ITAR-TASS correspondents Gennadiy Kulagin, Nikolay Pakhomov and Yuriy Sidorov]

[Text] London March 21 TASS—A meeting between President of Kazakhstan Nursultan Nazarbayev, who arrived here on an official visit, and British Prime Minister John Major ended after signing a number of important bilateral agreements in London today.

The documents included a joint declaration on friendship and mutual understanding, an agreement on cooperation in the spheres of education, science and culture, a joint declaration on economic cooperation, a convention on avoiding double taxation, an agreement on air transport and a declaration on cooperation between foreign political departments.

In honour of the esteemed guest a guard-of-honour was presented and Kazakhstan's national anthem was played in the British Foreign Office yard.

Summing up the results of the talks, John Major said that discussions were held on questions of investment in Kazakhstan's economy, and also on steps to increase turnover. The head of the British Government noted that the development of cooperation in these spheres will help good relations established between Great Britain and Kazakhstan. He emphasised that his government will explore opportunities for the implementation of the understandings already reached.

The British prime minister accepted Nursultan Nazarbayev's invitation to visit Kazakhstan. He also highly appreciated Nazarbayev's initiative to call a conference on steps to increase trust and security in Asia. This question was comprehensively discussed at the meeting, and the foreign ministers of the two countries are continuing consultations on this topic, John Major added.

Meets British Businessmen

LD2203094194 Moscow ITAR-TASS in English 0740 GMT 22 Mar 94

[By ITAR-TASS correspondents Gennadiy Kulagin and Yuriy Sidorov]

[Text] London March 22 TASS—Kazakh President Nursultan Nazarbayev, currently on an official visit to Great Britain, met with representatives of British business circles on Monday.

The Kazakh president said that the sides displayed mutual interest in expanding bilateral cooperation. "I believe that a mutual interest in exchange of opinions will help us to know each other better and determine prospects for and forms of development of mutually advantageous contacts," the Kazakh president said, addressing the Confederation of the British Industry, uniting prominent businessmen of the country.

The basis for Kazakh-British relations was laid in October, 1991, when during Nazarbayev's first visit a joint statement was signed, determining principles and prospects for bilateral cooperation. Nowadays, Great Britain ranks fifth in the Kazakh trade turnover with foreign countries.

"Today, we can discuss concrete directions of our cooperation in the oil and gas industries, ferrous and nonferrous metal industry and banking business," the Kazakh president told British businessmen. Nazarbayev mentioned the Lonrho, British Gas, AGIP, British Petroleum, the Bank of England and some other companies and banks successfully cooperating with Kazakhstan.

"At the same time, we realise that this is only the start, opening a broader road for the development of large-scale and perspective projects. The course of transformations and reforms carried out by Kazakhstan will receive the support of the world community. At the beginning of 1994, international financial organisations and 15 countries,including Britain, decided to allocate to Kazakhstan over one billion dollars in credits and loans.

"We are optimistic about Kazakhstan's projects," Nazarbayev said. However, complex problems, connected with hardships of a transitional period, remain. We hope that state-owned and private companies and business circles of Great Britain will display an interest and find spheres and facilities in Kazakhstan worthy to be invested and actively participate in unique transformations underway in our country," Nazarbayev said.

Tajikistan

Munition Depot, Russian Border Posts Shelled

LD2103144194 Moscow INTERFAX in English 1143 GMT 21 Mar 94

[Text] Munition depots of the Tajikistan Defense Ministry in the settlement of Aini, 6 km outside Dushanbe, came under fire last night and in early hours of Monday. A source close to military circles told INTERFAX that the depots stored weapons, fuels and lubricants as well as munition. There were no casualties or damage. Appropriate agencies started an investigation.

The area of the 12th and 13th posts of the Moskovskiy border guard unit were fired at with heavy machine guns and rocket shells from inside Afghanistan at 16:30 on March 20. The border guards returned fire and wiped out the enemy firing positions. There were no casualties among the Russian border guards. Armed groups and hardware of Tajik opposition were seen to move actively in the Afghan area opposite the 1st post of the Pyanj border guard unit.

Sowing Campaign Given Priority in Fuel Supplies

PM2103162594 Moscow SELSKAYA ZHIZN in Russian 19 Mar 94 p 5

[TIA "Khovar"-TASS report: "Eradicating Price Chaos"]

[Text] A strict daily record of all fuels and lubricants coming into the country through state and commercial channels has been introduced in Tajikistan. From now until 1 May, only the country's top ministrial and departmental chiefs can use official vehicles. In addition, in order to eradicate price chaos, a specially created republic commission has been tasked with establishing maximum prices for fuels and lubricants. The use of fuel by motor-vehicle transport has been restricted. All these measures are prompted by the fact that large-scale sowings have begun in the Republic and many farms are missing the optimum deadlines owing to a shortage of fuel. The Ministry of Agriculture has announced that this spring Tajik peasants are allocating 280-285,000 hectares to the basic crop—cotton—which is somewhat in excess of last year's indicator.

Armenia

Saakyan Calls for Cease-Fire Prior to Talks

LD2103165094 Moscow INTERFAX in English 1537 GMT 21 Mar 94

[From the "Presidential Bulletin" feature: by Nikolay Zherebtsov and Andrey Petrovsky]

[Text] Armenia favors a peaceful solution to the regional conflict through peace talks involving Azerbaijan, Nagorno-Karabakh, Armenia and Russia as well as European countries and the U.S., Deputy Speaker of Parliament Ara Saakyan told Interfax. However, he said that unconditional cease-fire should precede any such talks.

Saakyan said that unlike Azerbaijan which insists on the withdrawal of Armenian forces from occupied Azeri lands as a condition for cease-fire, Nagorno-Karabakh demands an end to the fighting and definition of its status first.

In his words, Yerevan is laying great hopes on Russia's peace effort in the region.

In the meantime, the continued differences between Yerevan and Baku had prevented the CIS interparliamentary assembly meeting in St. Petersburg over the weekend from adopting an appeal on CIS states not to resort to transport or energy blockade against each other.

Leader of the Azeri parliamentary delegation Afiyaddin Jalilov spoke of 20 percent of Azeri territory being annexed by Karabakh Armenians calling to include into the final paper a provision for Armenian pullout and the return of more than a million Azeri refugees to their homes.

Accord To Restart Nuclear Power Plant Signed

LD2103145894 Moscow ITAR-TASS in English 1432 GMT 21 Mar 94

[By ITAR-TASS correspondent Tigran Liloyan]

[Text] Yerevan March 21 TASS—Russian Vice-Premier Oleg Soskovets and Armenian Premier Grant Bagratyan have signed an accord on restarting the Armenian nuclear power plant.

Under the accord, the parties will conduct a joint examination of the main units of the plant and put them into operation, after taking additional measures to ensure its safe functioning. They will also train operational and technical maintenance personnel for the plant.

Russia will deliver nuclear fuel to the station, help the plant operators and assist in setting up Armenian bodies of control over nuclear materials and the nuclear power engineering network.

For its part, Armenia will introduce the rules and standards now in use at the Russian nuclear power plants and take steps to secure physical safety of the plant.

Under the agreement, Armenia pledges not to use the nuclear and non-nuclear materials received from Russia, as well as the nuclear and non-nuclear materials, installations and equipment created on their basis for producing nuclear weapons and other nuclear explosives or for attaining any military objectives.

Specialists and their families will be granted the right of free travel to Armenia. Tax and duty exemption will be granted for required goods brought into Armenia for the purpose of restarting the moth-balled nuclear power plant.

Armenian Prime-Minister Grant Bagratyan believes that the accord signed between the two countries marks a great step towards meeting Armenia's energy needs, which have been accumulating since the power station was moth-balled in the wake of the 1988 disastrous earthquake.

Poll Shows Continued Support for Ter-Petrosyan

NC1903105194 Yerevan SNARK in English 1256 GMT 18 Mar 94

[Text] Yerevan, March 18 (SNARK)—15.7 per cent of Yerevan residents would vote once again in favor of the President Levon Ter-Petrosyan if the election were held in the nearest future. These are the results of the poll carried out in the first week of March by the "National Self-determination" Union (NSU)'s Public Opinion Studies Center. In 1991, when the President election was held, over 80 per cent of Armenian citizens voted for Levon Ter-Petrosyan.

More than a quarter of the respondents, the total number of which is 600, claimed they wouldn't vote for any candidate. 13.2 per cent prefer the NSU leader Paruyr Hayrikyan. Other candidates' rating is far lower.

According to the poll, published in Yerevan newspaper "Ankakhutyun" (Independence), about 9 per cent of Yerevan residents will vote for the ruling party - Armenian National (Pannational] Movement. Most chances have Armenian Revolutionary Federation "Dashnaktsutyun" (20.8 per cent), and NSU (11.5 per cent). A little more than 8 per cent of the respondents choose to vote for the Communist Party.

Georgia

Shevardnadze Interviewed on Current Issues

LD2103140294 Tbilisi Radio Tbilisi Network in Georgian 0704 GMT 21 Mar 94

[Weekly interview with Eduard Shevardnadze, chairman of the Supreme Council and head of state, by correspondent Nato Onaini; in Tbilisi—live]

[Excerpts] [Oniani] Batono Eduard, a week after the visit to the United States by a Georgian delegation, James Baker has arrived in Tbilisi. Could this be regarded as a continuation of your U.S. visit from the political point of view, or is it a coincidence? Can we speak of Georgia's new role? And how founded is the irritation of the Russian press and of certain circles with the visits to the United States by Nazarbayev, Kravchuk, and yourself? The view has been expressed that the United States is gaining spheres of influence from Russia.

[Shevardnadze] Thank you. Good morning. As I have already said, Jim Baker's visit is connected with his being a cochairman of a committee for the salvation of Georgia. On my arrival in Washington we had a very short meeting and we agreed that he will come to Tbilisi and we will continue our exchange of views on the fate of democracy in Georgia, on the economy of Georgia, and on the main ideas for business relations between Georgian and U.S. business. His advice is essential for us. He has great experience. [passage omitted]

It was considered essential that the American community, that U.S. citizens listen to my views on various issues. The main direction of my speeches in the United States—you attended meetings and listened to them—was that it is inadmissible to permit a recurrence of the cold war. This issue was covered from different points of view but my principal approach was that this would be a disaster for the world and every country would pay a high price for that. There is no reason for anyone to be irritated or jealous. All ultrareactionaries, from our region or from others, dream of an ice-age.

I think that my contention that Russia and the United States should continue in partnership to handle all complex issues of the modern world found a fertile soil in the United States and I hope that the wishes and aspirations of the majority of Russian people are directed toward this principle of partnership.

As for the visits to the United States or to any other country by heads of the CIS countries, I think these are ordinary events which should not surprise anyone. An independent country is independent because its leader can himself decide where to go and where not to.

Now, your question about whether Georgia's role will increase: I would say that interest toward Georgia is substantial. It is natural that if we manage to achieve stability, if we manage to settle the Abkhazian issue by normal political means, to settle the issue of Samachablo, and to revive our economy, we will have our own identity and gain our place in world politics. It is natural that this will result in a new function of the state. This will be a function of determining not only internal policy but also policy in foreign relations.

You have said that individual public figures in Russia make claims against the United States for widening their spheres of influence. I do not think that this is the case today. Nowadays, we should have a different comprehension of spheres of influence. Today, people will find themselves in these spheres of influence not depending on who is strong but depending on what principles of Weltanschauung they have and what model of economic development or rather what experience of economic development they are offered.

We have to say that we have already determined our relations with Russia and it is impossible to speak more than has already been said. We have said that we want friendship with Russia, we want close relationships. At the same time, we need relations with the whole surrounding world.

I think that these first reactions to trips by presidents [of the CIS countries] will pass. Everything will be understood in the right way and life will go ahead in a normal way.

[Oniani] Just recently we spoke about the economy. The hardships of the postcommunist years in Georgia seem to be due to a naive attitude toward the economy. This has already been said repeatedly. Speaking of the economy, the people used to say—and quite loudly—that for the sake of independence they are ready to eat grass. Eventually it appeared that it is not that simple. Yesterday, at the first congress of the Union of Georgia's Citizens, most of your speech was dedicated to economic problems. You said that economic stabilization will begin in the country in 1995. It is clear that foreign investments will require a legislative basis. This is an issue which has been repeatedly put forward in France and in the United States by foreign partners. Speaking of the Cabinet of Ministers, you said that ministries should be structures of political significance rather than economic. How far do you think the present cabinet will manage to implement the reforms you and outher speakers mentioned? Moreover, the parliament is going to discuss the issue of the cabinet at its sitting tomorrow.

[Shevardnadze] Yesterday's congress was a very serious occasion. I have no doubt now that it will be a mass movement. I cannot help saying that the delegates' businesslike and professional speeches made me happy. The speeches were very comprehensive. I would highlight the youth. They crowned the congress. [passage omitted praising speakers, audience, documents passed at the congress]

As for what will happen in the parliament, of course, it is difficult to forecast. I would say one thing. I request this from both the majority and the minority. I have planned meetings with them. I ask them to approach the issue in a very serious way. I want the radio listeners to hear it and know it. Change for the sake of change will never be effective. A change should not be an end in itself. I said yesterday that no magician will come to the Georgian Government. And the introduction of 1, or 2, or 10 inexperienced people into the government means that they will not be able to do anything during the next three or four months. They will find it very hard. Seeking a scapegoat will cost the state even more.

If it were for me, I would not replace the principal staff. There is talk about corruption and that some ministers cannot be trusted. This is another thing. This needs yet additional arguments. A general conversation is not sufficient. [passage omitted on the current situation in Georgia and prospects of reviving the economy]

In this situation, any replacement of ministers could have grave consequences. This should be considered by parliamentarians. Above all, a majority of the ministers, especially those in charge of the economy, have had experience in international economic relations and have acquired a minimum of the knowledge needed to handle foreign investments and import foreign products. This is a school. A new person will find it difficult to start from the very beginning. That is why I say that the parliament should take all this into consideration. If the parliament makes a decision which cannot lead to an improvement in the situation, this will further undermine the authority of the parliament, of its chairman, and of the head of state, too.

It is necessary for parliament to attach much more attention to the creation of legislative bases, especially regarding foreign investments. We have found plenty of partners. Incidentally, Mr. Baker named one big industrialist, who works in the sphere of oil- prospecting, and said that he has serious claims against our legislature. He is ready to come to Georgia along with other companies. He believes that there is much oil in Georgia. He knows there are people who will work. But the existing laws are not sufficient for such wide-range cooperation. Therefore, apart from changes in the cabinet and sacking or changing ministers, the parliament should do its best to create a legislative basis.

My remarks that there should be certain improvements in 1994 and that 1995 should become a year of stabilization and that improvements will be felt by all families in 1995, are not simply cheap talks, provided the approach in parliament, in government, and in all rayons and regions is serious .

[Excerpts] [Oniani] In your speech you spoke about the role of the constitution which is in the process of being drafted. You claimed that it is necessary to introduce the post of president to serve as an essential element in overcoming the crisis. After all the negative assessments of the presidential post which were made by the former opposition and in view of general attitudes, how much chance do you think this idea has of being accepted? And how necessary is it for Georgia to have a president?

[Shevardnadze] [Passage omitted: Shevardnadze says he spoke about this at the congress but he knows his speech at the congress was too long to be published] By all means, a country like Georgia needs a strong power, a strong executive power and correct relations between the executive power and the parliament as well as a judicial power. A country which is in crisis and which has a peculiar (?geopolicy) will not be able to stabilize itself itself with a relatively weak power. I said yesterday that the president's power and authority should be a guarantee of the country's security, integrity, and unity.

As for our bitter experience, I would like to say that history knows good and bad presidents in various countries. Some have been good, some bad, and some even criminal. This happened in the United States but the United States did not reject the idea of the presidency.

We need a good and strong president. I have been convinced of this by numerous discussions. The people have had experience. They know what sort of person not to elect. And this means a lot. I think there is a rather wide and interesting spectrum of political figures at present. There is a big choice. However, this is my own idea and it may not be accepted by the constitutional commission. Neither may it be accepted by the parliament and the people. [Passage omitted elaborating]

It can be said that certain mistakes are made not only during presidential elections—this should also be considered—but during parliamentary elections, too. Not many parliaments are ideal, so to say. I do not mean our parliament.

[Oniani] And yet another phrase from your speech: Abkhazia will have the autonomy stipulated by European or world standards. You said this and added that the CIS, and especially Russia's experiences and serious achievements in the construction of the state should be taken into consideration. How should we understand this? What does it mean? Today, yet another round of talks about Abkhazia will take place. How efficient do you think it will be considering that in Abkhazia progressively thinking Abkhazians—I mean the Movement for Peaceful Abkhazia—managed to issue a statement on the current situation in Abkhazia. This means that such people exist. The people have always existed but the main thing is that they have managed to say this aloud. This means that the situation is changing.

[Shevardnadze] Speaking of Abkhazia yesterday, I meant that it could be autonomous or something else. I meant Abkhazia's political status, in principle. I also spoke about the political status of Ajara. The rights Abkhazia had before the war, before the conflict, met all world standards. I spoke about this at the UN Security Council and this was unexpected for many.

We are ready to have a wider look at this issue, to distinguish functions as is needed for each to do his own job. As for the Russian experience, I am talking about a constitutional solution to the problem. I consider it to have been Yeltsin's big victory when he managed to induce the people to adopt the constitution in the shape he suggested. I am referring to the rights, duties, and representation of the subjects [of the federation] in the supreme bodies, in the parliament in particular. I think this experience should be discussed in the press as well as on television and so on so that the people can have a better idea about it. It is a very interesting experience.

I have been told that the presentation of the UN secretary general's report to the Security Council has been scheduled for today. Decisions will not apparently be made today or tomorrow, as far as I understand. But I believe that the report will be an ideal reflection of the situation in Abkhazia.

Now, with regard to the recent broadcasts of the Movement for Peaceful Abkhazia, I have to admit that I am not well aware of this. I listened to it in the same way as you did. Certain radio stations have registered this. It has been said that this originated in Abkhazia, in Sukhumi, that is, in the heart of Abkhazia. As far as I know, ethnic Abkhazians residing in Abkhazia as well as from the outside take an active part in this movement. I do not think that it comes from the Tbilisi, from Tbilisi Abkhazians. It is important because the appeal to live in peace, to return to Abkhazia, and to restore the age-old traditions we have had for centuries is coming from Abkhazia. [passage omitted: exhibitions are planned to demonstrate Georgia's intellectual and industrial potential. Shevardnadze welcomes the exhibitions, praises young scientists and entrepreneurs, and promises assistance]

[Oniani] And, finally, Batono Eduard, you yourself have said—and it is frequently said—that we have to declare war on the mafia and on saboteurs. But, unfortunately, cases of sabotage are still numerous. The authorities and law-enforcement bodies seem to be unable to combat this. If we add the social dimension to this, the question arises naturally: How long will things last like this? How long will this inactivity last? There are evident cases of sabotage which are not followed by any reaction.

[Shevardnadze] I would like to answer you like this. The fight against the mafia has begun and it will continue and its scale and pace will not reduce. Of course, it is not at all easy to eradicate the mafia or to supress it. This is not only a Georgian phenomenon. I should say that as one economic structure of a state is replaced by another, this is accompanied by the stirring up and establishment of mafiosi clans and then it is rather difficult to eliminate the clans. Mafiosi structures create a rather undesirable climate, if I may say so, even in highly developed countries.

We should come to the conclusion that we have to assist and care about law-enforcement bodies. Society should be mobilized. This process has commenced and thus stirred up hopes, I believe. We must support the people who do not tremble they talk about combating mafiosi clans. I want to declare that the pace of the fight will not decrease and I want to assure radio listeners of this. [passage omitted]

Estonia

Premier Accused of Lying Over Arms Deal

WS2103210294 Tallinn BNS in English 1924 GMT 21 Mar 94

[Text] Tallinn, Mar 21, BNS—A deputy leader of the opposition Coalition Party faction in the Estonian parliament and several other MP's [member of parliament] today accused Prime Minister Mart Laar of lying when characterizing the shortcomings discovered in the first consignments of weapons the country received under a major arms purchase deal from Israel.

Laar, answering a question by opposition Centrist Party MP Andra Veidemann before the parliament today said that the shortcomings discovered had been "not essential" and that they by no means negatively affected the combat effectiveness of the weapons. Laar said the faults in some cases, for instance, were just that a gun was having no bayonet or clip, or that plastic bottles and oilcan corks were partly missing.

"Those who claim that Estonia bought 60 million dollars worth of weapons that cannot be used are lying. None of the shortcomings discovered make it impossible to take the weapons into use," the premier said.

Laar said the supplier, the Israeli company TAAS, was to deliver the missing parts in the near future.

Coalition Party deputy leader and deputy head of the parliament's defense commission Peeter Lorents in his comments said he had seldom heard "such a brassy lie." He said the shortcomings discovered had been of much more serious character. For instance, none of the Israeli light mines tested in Estonia had properly worked, and a grenade shot from a antitank gun had fallen 1.5 meters lower than what was shown in product specifications.

The prime minister after Lorents' remarks said the MP should politely bring his apologies and choose his words in the future, and warned that in the opposite case legal action could be taken against him.

Centrist MP Olav Anton in his comments on Laar's explanation of the issue said "such kind of foggy talk the prime minister should use with his defense minister, who has not served in the army."

Opposition has also alleged that the old 23-millimeter anti-aircraft guns, found to be substandard by Estonian experts, were part of the arms deal and not simply a gift as was claimed later.

Israel's national company TAAS at the end of January brought as a gift to Estonia more than 20 million kroons worth of trophy weapons seized in its wars with the Soviet-backed Arab countries. The shipment included 23-millimeter Soviet-made guns, as well as RPD and PKT machine guns.

The prime minister today reasserted his claim that the shipment was a gift and stood apart from the arms deal. "The Israeli party feels the responsibility to bring into order the consignment delivered by it to Estonia," Laar said.

MP Juri Toomepuu claims he has seen the text of the agreement signed between Estonia and the Israeli company and that the document defines 23-millimeter guns as part of the deal.

Kuno Raude, chairman of the Rural Union party, in his remarks said that "each country has its honor and dignity, and in this case Estonia has been cheated."

Laar, Einseln Questioned on Arms

WS2203102194 Tallinn ETA in English 0756 GMT 22 Mar 94

[From 22 March RAHVA HAAL, PAEVALEHT, HOMMIKULEHT; "News Bulletin" No. 55/94]

[Text] Tuesday, March 22—Yesterday's questions and answers session was dominated by the Israeli weapons deal. Prime Minister Mart Laar and Commander in Chief Aleksander Einseln had to answer questions concerning their compatibility to the NATO standards and quality.

The Israeli-made small arms do not meet the STANAG agreements since Israel is not a member of the NATO, General Einseln explained. However, since the agreements concern primarily ammunition, the weapons can be considered as meeting the STANAG requirements, he stressed. Einseln added that the government had not approached him before on the NATO standards issue and the decision to purchase weapons from Israel had been made before he became Commander in Chief.

MP Andra Veidemann questioned Mart Laar on the incomplete weapons consignments and the premier claimed the drawbacks to be insignificant. Laar mentioned some missing cartridge clips and bayonets, stressed that this does not prevent the weapons from being used, and added that the Israeli company will supply the missing parts. Estonian experts will later check on the completeness of the consignments before they will be shipped to Estonia, Laar assured the parliament.

Further questions concerned the presented 23-millimetre anti-aircraft guns. Laar told the Riigikogu [parliament] that the decision had been made after an appeal by GHQ chief of staff Colonel Ants Laaneots during his visit to Israel last year. Laar claimed that the anti-aircraft guns as well as the machine guns had really been a present, outside the consignment which had been paid for. The Israeli supplier will help to repair the unusable weapons, he added. But the opposition members disagreed. Peeter Lorents claimed to have rarely heard "such a barefaced lie" as told by Laar and further explained that tests had disclosed more serious drawbacks with the weapons. He specifically mentioned defective mines and anti-tank ammunition. Lorents was seconded by MP Jiri Toomepuu, who claimed to have seen the original agreement, according to which the defective anti-aircraft guns were a part of the deal. They were supported by some other members - Centrist MP Olav Anton commented that only the Defence Minister, who has never served in the army, could believe such vague explanations.

Centrist MP Liina Tdnisson asked about the renting of the building in 3 Toompuiestee and Laar explained that the government had decided to hold an open auction. But he repeated that the government keeps supporting the idea of renting it to the company "Koneston", which intends to organise a Russian business centre there.

Laar rejected the claims that the main airfield is being used for transporting stolen cars out of Estonia. The Estonian border guard is checking the leaving aircraft, he said.

Laar also explained that the government had decided to spread the funds of the national budget between different banks purely in order to cut the risks. He added that a closed contest will be held to determine the banks which will handle the funds next year.

Laar assured the parliament that the investigation of the cases when police officers mistreated Defence League members is continuing and Interior Minister Heiki Arike has been instructed to pursue the matter. But the names of most policemen who allegedly beat the volunteers are still unknown, Laar admitted.

The "Independents" faction of the Riigikogu elected Jaanus Raidal its chairman and Mart Niklus vice-chairman. Other members of the six-man faction are Ants Erm, Avo Kiir, Kalju Pdldvere and Toivo Uustalu. Raidal announced that the faction meeting approved a resolution to support the reinforcement of law and order in Estonia.

Protest for 6th Time at Russian Headquarters

WS2103205194 Tallinn BNS in English 1634 GMT 21 Mar 94

[Text] Tallinn, Mar 21, BNS—Picketing took place for the sixth Monday [21 March] in a row today in front of Russian naval garrison headquarters in Tallinn in protest against continuing presence of Russian troops in the country.

The pickets that are held now are a form of struggle against a colonial empire, said Juri Adams, deputy leader of the Estonian National Independence Party faction in the parliament.

MP [member of parliament] K. Jaak Roosaare called on the Russian military to come out of the house and speak before the picketers. The Estonian MP's appeal met with no response, however.

The Estonian National Independence Party has said the Monday pickets in front of the house that is situated just on the foot of the Toompea Hill, some 200 meters from the residence of the Estonian Government and the parliament, will continue until the last Russian soldier has left the country.

Vahi Says Pro Patria Sought Coalition Talks

WS2103154694 Tallinn BNS in English 1452 GMT 21 Mar 94

[Text] Tallinn, Mar 21, BNS—The leader of Estonia's opposition Coalition Party denied reports that the party had suggested to begin coalition talks with the governing Pro Patria, and added that a respective proposal had come from Pro Patria.

Coalition Party leader Tiit Vahi termed the noise created around possible cooperation between his party and the senior party in the governing coalition, the Pro Patria, as "hysteric" fuss. Those in Pro Patria, like (Prime Minister) Mart Laar, (Economics Minister) Toivo Jurgenson and MP Jaanus Betlem who are most actively opposed to possible cooperation apparently thought that if the other half of Pro Patria will reach an agreement with the Coalition Party, they will be left outside, Vahi said in an interview with BNS.

Vahi also dismissed as untrue the accusations that his party was dominated by former leaders of Communist state industries and collective farms. He said several members of the Coalition Party leadership, such as deputy head of the parliament's defense commission, Peeter Lorents, Tallinn Town Mayor Jaak Tamm, Ambassador Riivo Sinijarv and academy member Endel Lippmaa had never been members of the Communist party. Vahi said he himself had joined the Communist party in his time only to retain his post as chief engineer in a state company.

The Coalition Party leader also hit back at the accusers, saying things were not better with Pro Patria itself. He said the ruling party had promoted many enough former Communist youth organization activists and former Communist officials who are now sitting in the same offices that they occupied a few years ago when the central Tallinn house now used by a number of state institutions was still the Communist Party headquarters.

But Vahi also stated he will continue talks with politicians from Pro Patria who are concerned about what he called Estonia's bad standing in the fields of foreign, interior, defense and social policy. He said his party's cooperation with Pro Patria would be something that is absolutely normal.

Vahi's remarks came after a series of statements and eventual accusations in connection with possible changes in the coalitions scheme in view of next year's elections.

The Pro Patria board on March 14 issued a statement saying the party estimated the wish of the Social Democrats, the Rural Centrist Party, the Coalition Party and other political parties to cooperate with Pro Patria.

The deputy leader of Pro Patria's faction in the parliament, Karin Jaani, on March 15 told BNS cooperation between Pro Patria and the Coalition Party was not topical. She said Pro Patria was ready to hold talks with all political forces if necessary, but added that the party was having no intention to start coalition talks with the Coalition Party in the near future.

Prime Minister Mart Laar, also the chairman of Pro Patria, said implementation of the policy of the Coalition Party would bring about a sharp rise in taxes and end the radical economic reform. "It is difficult for Pro Patria to find things in common with 'red' directors and former collective farm leaders," Laar said.

Radio Director To Face Mismanagement Charges

WS1803143394 Tallinn ETA in English 0800 GMT 18 Mar 94

[From "News Bulletin" No. 53/94]

[Text] The economic police is to bring charges of mismanagement against Director General of the Estonian Radio Herkki Haldre in the nearest future, Commissar of the economic police Jaak Hindriksson said. Haldre will be charged with the waste of state funds. The State Inspection Office accused the radio management in paying excessive wages and meeting questionable travel expenses.

The situation is complicated by a legal inadequacy since there is no legal procedure for dismissing the head of the radio. The national broadcasting statute stipulates that the radio is subordinated to the "Presidium of the Supreme Soviet", a body that no longer exists, while no document determines the relations of the radio director and the Riigikogu. Chairman of the parliamentary culture commission Sulev Alajde explained that the commission may recommend the Riigikogu to approve a new law on broadcasting and to keep Haldre in office for the time being.

Haldre is currently abroad and the Estonian Radio is headed by Paul Himma.

Latvia

Ulmanis To Meet Yeltsin After 15 Apr on Troops

WS2203143994 Riga LETA in English 1142 GMT 22 Mar 94

["Latvian President Is Expected To Meet Yeltsin After April 15"—LETA headline]

[Text] Riga, March 22 (LETA)—On Monday [21 March], the Latvian President Guntis Ulmanis, having viewed the published texts of agreements initialed by the Latvian and Russian delegations to the interstate negotiations, invited senior state officials for a talk. The president's office reported that Ulmanis met with the Saeima's [legislature] chairman, Anatolijs Gorbunovs, the prime minister, Valdis Birkavs, the minister for special tasks, Edvins Inkens, the interior minister, Girts Kristovskis, the parliamentary secretary of the Foreign Ministry, head of the Latvian delegation Martis Virsis and with the officials of the ruling coalition.

It was admitted during the talk that the documents published in the press were considered as not official. They were developed in Russian and will acquire their official status after being accepted by the cabinet. They also touched upon what has to be [words indistinct] Latvian and Russian presidents in Moscow. The president's office said the meeting is to be scheduled not earlier than April 15. Tuesday Ulmanis is going to continue discussions on the initialed agreements while meeting the Latvian delegation members to the talks.

Swedish-Latvians Protest Withdrawal Accord

WS2103212394 Tallinn BNS in English 1924 GMT 21 Mar 94

[Text] Riga, Mar 21, BNS—Swedish-Latvians' organizations issued a statement Monday [21 March] protesting the initialed agreement between Latvia and Russia on the Skrunda radar station and the status of retired Russian servicemen in the Baltic country.

The Latvian Government in fact legalized the Russian occupation by initialing the agreement, according to the statement.

The organizations urge the Saeima (parliament) to decline the agreement's ratification because the document is evidently hostile to the intersts of the Latvian nation. It may also provoke unpredictable consequences in the future.

The group also calls on President Guntis Ulmanis not to sign the document.

The statement is signed by the Latvian National Independence Movement's Swedish department, the Latvian National Fund, the Swedish-Latvians Central Council and the Swedish Daugavas Vanagi organization.

Russian Army Fails To Pay for Airport Services

WS2103210094 Tallinn BNS in English 1634 GMT 21 Mar 94

[Text] Riga, Mar 21, BNS—The Russian Army has failed to pay for the Riga airport services as provided by the 1993, June 2, interstate agreement, Ilgonis Upmalis, head of the Latvian bureau monitoring the Russian troop withdrawal, told BNS.

The Russian Armed Forces owe Latvia at least 25,587 lats for 608 flights in 1993 and 69 flights this year. Russia also has not paid for the use of airspace in those flights.

Russian Air Force command representative Anatoly Rudena is scheduled to visit Riga Monday [21 March] to discuss the payment problems with the bureau and the Latvian Air Communication enterprise administration.

Task Force To Prevent Skrunda 'Diversions'

WS2103153194 Tallinn BNS in English 1031 GMT 21 Mar 94

[Text] Riga, Mar 21, BNS—A special group is already formed to prevent possible diversions against Russian army's strategic object—Skrunda radar station, Latvian attorney general, Janis Skrastins, told Saturday [19 March] in his interview to Latvian radio.

A special sapper unit will also be stationed for a time in Kuldiga to immediately liquidate explosive devices if found any near Skrunda radar station.

The above mentioned actions were taken due to the blowing up of pole for high-tension power line in Feb. 28 near Skrunda radar and the explosive device found March 15 at a pole for electricity wires, situated 1 kilometer away from Skrunda radar station's pass post.

Charges are brought against wrongdoers, and Latvian Prosecutors Office Board for Special Issues and Kuldiga district Prosecutors Office investigate both cases. Presently it is not clear if both the incidents are connected.

During the examination of clock mechanism that was connected to the explosive device found March 15, experts stated that the organizators of the explosion were non-professionals. The experts claim the device was made of 12 kilograms of tolite, electric detonator, wires, clock mechanism and power supplying battery. If it had exploded, not only near located houses but also Skrunda radar station would have suffered damages.

In return, it is stated that nearly half a kilogram of tolite caused the explosion in February 28.

Free Trade Talks Continue With European Union

WS2103210994 Tallinn BNS in English 1924 GMT 21 Mar 94

[Text] Riga, Mar 21, BNS—The second round of free trade talks between Latvia and the European Union [EU] takes place March 21-22 in Brussels, the Latvian Foreign Ministry reports.

On Monday, the parties are scheduled to look at the text of a regulation providing to lift import tariffs of Latvian-production goods immediately after the free trade pact is ratified.

On Tuesday, panels will discuss customs quotas for various kinds of industrial and farm produce.

Latvia must lift import duties of EU goods within four years after the free trade agreement is ratified, according to an agreement reached during the first round of bilateral talks in February. The measure is aimed at protecting the Latvian economy from too swift an influx of EU goods. Currently, it is difficult to fix concrete quotas for textile and farm products because the Latvian parliament has not ended discussions on the issue yet.

EU plans to grant Latvia the status of its associated member right after the signature of the free trade accord. As reported, the Baltic-EU free trade talks are unlikely to be hampered by any major obstacles.

The Baltic states, however, may face difficulties when trying to convert this initial agreement into a Euro agreement in one or two years. The Euro agreement grants its signatories the status of full fledged members in EU.

EU experts prognosticate that the union will enroll EFTA [European Free Trade Association] states (except Switzerland and Iceland) by 1995.

The Visegrad group (Poland, the Czech Republic, Slovakia and Hungary) and, probably, the Baltic states, could join EU by 1995.

Latvia's aspirations to enter into EU are endorsed by Denmark, Germany, the Netherlands, France and Great Britain. The Latvian delegation to the talks is headed by Olgerts Pavlovskis, the country's minister for foreign trade and EU affairs. The group includes officials from several related ministries.

The third round of free trade talks is scheduled for April 8 in Riga. The free trade agreement between Latvia and EU could be ready in May, experts said.

Parliament Agrees To Debate Foreign Policy

WS1803143294 Riga DIENA in Latvian 9 Mar 94 p 1

[Article by Sanita Upleja: "Saeima Committee Supports Foreign Policy Doctrine"]

[Text] Riga, 8 Mar—The Saeima [parliament] Committee for Foreign Policy has expressed its support for Latvian foreign policy, as outlined by the government, as well as its agreement to debate the policy doctrine during a plenary session of parliament. It is possible that discussions on this proposal will begin almost immediately.

As Aleksandrs Kirsteins, head of the Committee for Foreign Policy, told journalists after the committee's meeting, the foreign policy doctrine is based on Prime Minister Valdis Birkavs' speech at the international conference "Latvian Security at the Turn of the Century." It has been submitted to the Saeima in a somewhat different form. V. Birkavs will present the doctrine at the plenary session, before formal debate begins. At present, Latvia does not have a foreign policy doctrine, per se, approved by parliament.

The main points of this doctrine are: Latvia's orientation towards the West, membership and cooperation with international institutions—NATO, the European Union [EU], the Western European Union, CSCE, the Balladur plan— as well as concluding a free-trade agreement with the EU that will permit Latvia to obtain EU associate member status. Latvia's relations with Russia, according to the foreign policy doctrine, should be equable in economic as well as political terms, though not at any price, especially not for the price of losing Latvia's general orientation, emphasized A. Kirsteins.

A. Kirsteins also said that Latvia has to accept, in the immediate future, the law on citizenship, and the document regulating the status of foreigners and stateless people in Latvia. The suggestion of Russian President Boris Yeltsin [not further specified] could be interpreted as a good idea, A. Kirsteins stated.

Air Force To Acquire New Base; Airspace Controls Viewed

WS2103144894 Riga DIENA in Latvian 12 Mar 94 p 8

[Article by Liga Laizane: "Air Force Is Moving To a Permanent Base"]

[Text] Riga, 11 Mar—The Latvian Air Force must leave Spilve airport and move to a permanent base, and the Latvian Government should seek to provide at least the minimal material means to enable the Air Force to accomplish its tasks, Prime Minister Valdis Birkavs stated today. The prime minister's remarks came after his visit to the present location of the Latvian Air and Antiaircraft Forces at the dilapidated Spilve airport. The permanent base, as envisaged when the Air Force was created, will be at Lielvarde.

Presently, the situation in the Air Force is critical because, of their two L-410 airplanes, one is undergoing repair while the other, due to a lack of money, is still waiting its turn to be repaired. In addition, out of six helicopters, only one is reported to be in active service.

As was established in the concept of airspace control recently accepted by the National Security Council, Latvia's airspace is to be controlled by the Civil Service with the cooperation of military specialists. Air Force Commander Karlis Kins explained to V. Birkavs that it would be essential to create one or two posts for military specialists in the Civil Airspace Control Services in Riga and Liepaja. However, aircraft which pass through our airspace should not only be tracked by radar, but also, in cases of an emergency, manipulated [manipulacijas]. To accomplish this, fighter planes are needed. The small Czech-manufactured L-39 fighter would be optimal in technical as well as financial terms. V. Birkavs said that the government has agreed to purchase two Mi-8 helicopters, but at the present time there is no money available.

K. Kins expressed his anxiety over the fact that factors of state security have not been taken into account in the telecommunication system created by "Lattelecom." While working on the project, consultations with military specialists were not carried out. V. Birkavs agreed that these factors should be included in the project.

Popular Front Says Government Ignoring Popular Will

WS2103124494 Riga DIENA in Latvian 10 Mar 94 p 8

[Article by Modris Posse: "LTF Thinks That the Opinion of the People Should Be Taken Into Account"]

[Text] Riga, 9 Mar—The Latvian Popular Front [LTF] has decided to organize a meeting on 12 March on Doma Square with the aim of expressing their opinion on the continued operation of the Skrunda radar station and the troop withdrawal agreement reached with Russia. Most probably, participants in the meeting will be able to express their opinion by signing a petition which will be presented to the government and the Saeima [parliament].

As LTF Chairman Uldis Augstkalns stated at a press conference, the government does not take into account the opinion of either different political parties or social organizations. Such policies, stressed Augstkalns, result in violations of the basic condition of democracy—respect for the interests of citizens.

Taking into consideration the fact that the next round of interstate negotiations will begin on 14 March, we do not want the meeting to be interpreted as a provocation, but still, the opinion of the people should be respected, said Talavs Jundzis, LTF deputy chief and head of the Baltic Center for Strategic Research.

He is of the view that concluding the compromise agreement with Russia can result in Latvia's losing its independence or even a new occupation. The real path to Latvian security does not lead to neutrality, nor does it aim toward the East or the West; it lies in a steady position on all primary political goals, summarized T. Jundzis.

Lithuania

Ex-Minister Suspects 'Sabotage' Behind Arrest

WS2103211894 Tallinn BNS in English 1924 GMT 21 Mar 94

[Text] Kaliningrad, Russia, Mar 21, BNS—The arrest of Vladas Laurinavicius, president of the Kaunas-based Selma association, is a provocation and can be regarded as sabotage, former Lithuanian Defense Minister Audrius Butkevicius told BNS Sunday [20 March].

Laurinavicius was arrested Thursday night when some 40 searches were carried out in apartments of present and former Defense Ministry officials, including Butkevicius. The searches were carried out in relation to the investigation of financial violations in the purchase of weapons for Lithuanian defense forces in 1992-1993. Laurinavicius acted as a mediator in these weapon deals.

In Butkevicius' opinion, the arrest means that certain forces in Lithuania want to ruin the association's joint project with the Russian Baltic Sea Fleet to build housing in the Kaliningrad region for Russian military personnel withdrawing from the Baltic states.

The ex-minister said the project created 3,000 new jobs for Lithuania and the number was supposed to increase to 5,000 in the near future. Butkevicius said a new contract had to be signed Saturday during Russian Defense Minister Pavel Grachev's visit to the region, but Laurinavicius was arrested.

The former minister said the Lithuanian state budget already recovered 70 percent of the money that Lithuania invested in the Baltflot-Selma project. Butkevicius said the project would have been very useful to Lithuania because an agreement on oil supplies to Lithuania was supposed to be signed together with the new building contract. In his words, Grachev brought the agreement to Kaliningrad.

Butkevicius said during his service as defense minister he thought Lithuania should become "an intermediate point for the transit of goods from the West to the East." The best way to implement this concept is to maintain good relations with all neighboring countries, he said. "It's a pity that the present policy may deviate from the way we chose."

The ex-minister said the Lithuanian Government and parliamentary commissions carefully checked three times whether plans to build apartments for Russian servicemen are politically and economically useful to Lithuania.

In Butkevicius' words, people who disagree with his concept chose "the easiest way—to defame the participants of the project."

The former minister said the supposed oil supplies to Lithuania were used as a pretext for a provocation. Butkevicius said Selma built houses in the region on credit for 1.5 years but oil would have rehabilitated the association in the eyes of the Lithuania public, as well as Estonia and Latvia. In his opinion, oil supplies would have become a basis for "further fruitful cooperation between Lithuania and Russia."

More Grachev Comment on Arrest

PM2203092794 Moscow KRASNAYA ZVEZDA in Russian 22 Mar 94 p 3

[Report by Captain First Class Valeriy Gromak: "Political Provocation: Why the Selma-Baltflot Project Is In Jeopardy"]

[Text] One stage of Defense Minister Army General Pavel Grachev's work in Kaliningrad Oblast was supposed to have been a visit to a construction site in north Kaliningrad where the Lithuanian association Selma is building homes for Russian officers.

At the present day the Lithuanian construction workers have already prepared a complex of five multiapartment blocks for handing over and are completing the assembly of another four buildings. Not only has the implementation of the plan helped Lithuania to resolve some economic problems and created some new jobs, it has also had a considerable impact on the timing and pace of the Russian troop withdrawal from Latvia and Estonia. Army Gen. Pavel Grachev, the Russian defense minister, and Audrius Butkevicius, former Lithuanian minister of national defense, are rightly considered the founding fathers of the Selma-Baltflot project. Unfortunately, during his trip the Russian defense minister was unable to visit the Selma construction site. "The fact is," Army Gen. Pavel Grachev told journalists, "that someone in the Lithuanian leadership (I do not know who at the moment) has conceived the idea of preventing a meeting between the Russian defense minister and Vladas Laurikavicius, president of the Selma company."

On the eve of the meeting with the Russian defense minister in Kaliningrad, the Selma president was arrested by the Lithuanian special services and taken to Vilnius, where he has been placed in a detention cell.

"This fact will not help Russo-Lithuanian relations," Army Gen. Pavel Grachev told journalists. "Selma had faith in us and still does, it worked essentially on credit using its own resources. The Selma president was told that I was bringing a directive from the Russian Government outlining the terms on which we would settle our debts. I brought them a barter deal—for oil. I have this directive in my briefcase but I cannot give it to the association's president or thank him for his work...."

Here is the opinion of Povilas Astasiavicius, vice president of the Selma company.

"Certain forces in Lithuania do not like what we are doing," he said. "Recently the Lithuanian press has waged an unbridled campaign accusing us of a variety of sins: They say that we are not building anything but are just getting rich. But you can see the homes that we have built, you can see the people who have already been given apartments in those blocks.... This whole campaign is being fuelled primarily by Mr. Piatkiavicius, a deputy in the Seimas...."

However, I find this particular maneuver by certain political forces in Lithuania all the more incomprehensible because Mr. Piatkiavicius was the leader of the first official Lithuanian parliamentary delegation to visit this construction site in the summer of last year. It was he, when opening the rally dedicated to the completion of the assembly of the first building, who spoke a lot about the need to develop good neighborly relations between Lithuania and Russia and promised comprehensive support for the Selma-Baltflot project.

But now he holds the opposite view.... Last Sunday I met with Audrius Butkevicius, Lithuania's former national defense minister, and asked him to comment on what has happened.

"My apartment was also searched," Butkevicius said. "They were looking for explosives, which is really ridiculous. They also wanted to plant some documents on me which were nothing to do with me. Here, too, I express solidarity with Pavel Sergeyevich Grachev: The arrest of Laurikavicius is an act of provocation. A political provocation! And I very much regret that the Lithuanian side is to blame for this."

Brazauskas: Poland Ties 'Indispensable' for EU

WS2203142394 Tallinn BNS in English 1049 GMT 22 Mar 94

[Text] Vilnius, Mar 22, BNS—Normal relations with Poland are "an indispensable condition" for Lithuania's integration with the European Union, Lithuanian President Algirdas Brazauskas said in his regular Monday [21 March] radio spot this week.

Replying to criticism directed against the Polish-Lithuanian political treaty that was initialed in Warsaw last Friday, Brazauskas suggested his political opponents to think whether "we are moving toward the future, or do we live only in memories of the past."

The treaty is sharply criticized by certain political forces in Lithuania because it does not mention the 1920 occupation of Vilnius and its region by Poland.

The Lithuanian president expressed hope that "our nation will have enough common sense and vital strength to go beyond this limit.

"We must see the future instead of choosing only historical evaluations and trying to determine our relations with a neighboring state through that prism." Brazauskas noted, however, that "nobody will forget history."

The president recalled the post-war experience of Western Europe where former enemies started to create the EU only ten years after World War II. Brazauskas said people in these countries and their leaders tried to be tolerant and to cooperate with neighbors. "Our policy is the same and we will adhere to it."

Prime Minister, Belarus Envoy Discuss Ties

LD2103210394 Vilnius Radio Vilnius in English 2000 GMT 21 Mar 94

[Text] Lithuanian prime minister Adolfas Slezevicius and Belarusian Ambassador to Lithuania Yevgeniy Voytovich have met to discuss relations between the two countries. Mr. Voytovich described the political situation in Belarus on the eve of presidential and parliamentary elections. Mr. Voytovich also asked for the prime minister's assistance in starting a Belarusian school in Vilnius.

Earlier some Lithuanian politicians voiced their discontent over the appointment of Mr. Voytovich to the post of the ambassador to Lithuania, since he had allegedly made territorial claims to the Lithuanian capital Vilnius. Official sources in Minsk have denied these allegations.